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CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE For actions of April 26, 1954
(For Department Staff Only)

(For Department Staff Only)

CONTENTS

3 70 70	7.2 m = 1 = 22 = 30	Pononting
Appropriations y 10,19	Livestock,	Reporting3
Civil Service22	Loans, farm	Reports2,10
Claims10	Minerals	Research
Dairy industry	Personnel	Road authorizations4
Disbursing.	Price supports	Soil conservation20
Foreign affairs3	Property	Water facilities13
Foreign trade	Burchasing	Wool
	Reclamation	

HIGHLIGHTS: Senate debated wool bill and amendment to continue 90% price supports. House passed bill to discontinue certain USDA reports to Congress. House passed bill to permit court review of Government contracts. Rep. Hope inserted his speech on watershed conservation.

1. PRICE SUPPORTS. Continued debate on S. 2911, the wool price supports bill, and the Ellender amendment to continue mandatory price supports at 90% of parity on certain commodities for two additional years (pp. 5173-8, 5182-94, 5196-205). Sen. Carlson inserted resolutions of the Farmers Cooperative Commission Co.

and the Kansas Farmers Service Assn. favoring continuation of 90% supports (p. 5164),

- GAO REPORT. Both Houses received the 1953 annual report of the Comptroller General (pp. 5164, 5237),
- 3. FOREIGN REPORTING SERVICE. The Investigations Division of the Senate Appropriations Committee has released a committee print of a report. "Foreign Reporting. Service," discussing the needs of this Department and others for foreign reporting and the activities of the State Department in this connection. File copies of the committee print are available for lending purposes from the Legislative Reporting Staff B&F.

- 4. ROAD AUTHORIZATIONS. Agreed to S. Con. Res. 78, authorizing a correction in the enrolling of H. R. 8127, the road-authorization bill, before sending it to the President (p. 5207).
- 5. CONTRACTS. Passed as reported S. 24, to permit court review of decisions of department heads, or their representatives or boards, involving questions arising under Government contracts (p. 5212).
- 6. RECLAMATION. Passed as reported H. R. 6786, authorizing Interior to purchase

improvements or pay damages for removal of improvements located on public lands in the Palisades project area, Idaho (p. 5214).

- 7. DISBURSING. Passed with amendment S. 2844, to make permanent the authority for U. S. disbursing officers to cash and negotiate checks, drafts, and bills of exchange and other instruments payable in U. S. and foreign currencies for official purposes or for the accommodation of military or civilian personnel and personnel of contractors, and to conduct exchange operations, etc. (pp. 5214-5).
- 8. PROPERTY. Passed with amendments H. R. 5605, to amend the Federal Property and Administrative Services Act to provide that transfers of real property from certain Government corporations to other Government agencies shall not operate to remove such real property from local tax rolls (pp. 5210-2).
- 9. APPROPRIATIONS. The Appropriations Committee reported without amendment H. R. 8873, the Defense Department appropriation bill for 1955 (H. Rept. 1545)(p. 5237).
- 10. REPORTS. Passed as reported H. R. 6290, to discontinue certain reports now required by law (pp. 5212-3). The following are among the reports which would be discontinued: Reports to Congress on the four regional research laboratories, claims over \$1,000 compromised under the Bankhead-Jones Farm Tenant Act, status of the Farm Tenant-Portgage Insurance Fund, and contract research under the Research and Marketing Act of 1946; and reports to the President accounting for funds received and expended.

Received the following reports: From Interior on potential <u>irrigation</u> near the Chief Joseph Dam (H. Doc. 374); from Army on <u>flood control</u> on the upper Iowa River (H. Doc. 375); from Commerce on <u>export control</u> (pp. 5236-7).

BILLS INTRODUCED

- 11. MINERALS. S. 3344, by Sen. Fillikin (for himself and others), and S. 3347, by Sen. Dworshak (for himself and Sen. Anderson), to amend the mineral leasing laws to provide for multiple mineral development of the same tracts of public lands; to Interior and Insular Affairs Committee (p. 5165).
- 12. LIVESTOCK. S. 3348, by Sen. McCarran, to adjust claims against the Atomic Energy Commission for injury to or loss of livestock; to Joint Committee on Atomic Energy (p. 5165).
- 13. WATER-FACILITIES LOAMS. H. R. 8874, by Rep. Battle, to extend the Water Facilities/t8 the entire country and increase the project limit; to Agriculture Committee (p. 5237).
- 14. FARM LOAMS. H. R. 8879, by Rep. Dempsey, to authorize FCA to make loans of the type formerly made by the Land Bank Commissioner; to Agriculture Committee (p. 5237).
- 15. FORESTRY. H. R. 8880, by Rep. Hope, to provide for the sale of certain lands in national forests; to Agriculture Committee (p. 5237).
- 16. CONTRACTS. H. R. 8882, by Rep. Philbin, to provide that preference be given in the awarding of Government procurement contracts to firms which will perform a substantial portion of the production on such contracts in areas having a labor surplus; to Judiciary Committee (p. 5238).

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1955

APRIL 26, 1954.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. Wigglesworth, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 8873]

The Committee on Appropriations submits the following report in explanation of the accompanying bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955.

APPROPRIATIONS AND ESTIMATES

The estimates considered by the committee embrace the cost of all regular military functions for 1955 except construction and other public works, estimates for which are now pending.

The following tabulation lists in summary form appropriations for fiscal year 1954, estimates for fiscal year 1955, and resultant committee action on the 1955 requests.

Summary of appropriations

		, T	T. 2. 2 for 1-111	Bill compared with—	ed with—
Title	Appropriations, 1954	bugget estimates, 1955	1955	Appropriations, 1954	Budget estimates, 1955
Title I—National Security Training Commission	\$55,000	\$55,000	\$55,000		
Title II—Office of the Secretary of Defense.	13, 250, 000	13, 500, 000	12, 500, 000	-\$750,000	-\$1,000,000
Title III—Interservice activities	756, 300, 000	547, 500, 000	527, 500, 000	-228, 800, 000	-20,000,000
Title IV—Department of the Army	112, 937, 406, 000	8, 211, 000, 000	7, 615, 523, 000	-5, 321, 883, 000	-595,477,000
Title V—Department of the Navy	9, 438, 310, 000	9, 915, 000, 000	9, 705, 818, 500	+267, 508, 500	-209, 181, 500
Title VI—Department of the Air Force	11, 168, 000, 000	11, 168, 000, 000 11, 200, 000, 000	10, 819, 310, 000	-348, 690, 000	-380, 690, 000
Total	34, 313, 321, 000	29, 887, 055, 000	34, 313, 321, 000 29, 887, 055, 000 28, 680, 706, 500 -5, 632, 614, 500	-5, 632, 614, 500	-1,206,348,500
71 3.: i 3.000 000 070 i I	in Wans				

¹ Excludes \$58,000,000 for civilian relief in Korea.

Nore.—In addition to the above reduction, the following rescissions are made:
Procurement and production, Army, \$500,000,000.
Stock funds \$550,000,000, as follows: Army, \$300,000,000; Navy, \$200,000,000; Marine Corps, \$25,000,000; Air Force, \$25,000,000.

COMMITTEE ACTION

The 1.2 billion reduction effected by the Committee is to a great extent the result of cooperative efforts by the Committee and the individual Services. Of this total, the amount of 355 million represents items budgeted for deposit to the United States Treasury as an offset to the use of foreign currencies under mutual defense agreements or occupational arrangements. It is the belief of the Committee that since these arrangements are not of permanent character the present methods of utilizing and accounting for these foreign currencies might well be continued during the ensuing fiscal year. The amount of \$127 million was volunteered by the Army at the beginning of the hearings. An additional total amount of \$183 million was, in the course of hearings, either volunteered or admitted by the Services to be not required because of developments subsequent to the submission of the original budget or because of reprogramming, or plain errors in computation. Thus, only the amount of something over \$541 million may be cited as a reduction by the Committee.

In addition to the above reductions, rescissions of 500 million in Army Procurement and a total of 550 million in Stock Funds are

effected.

CHANGE IN PREPAREDNESS CONCEPT

The Committee is greatly encouraged by the increasing determination on the part of both civilian and military leaders within the Department of Defense to place our military organization on a sound and firm base to which constant improvements can be made in a more orderly manner to give us the required military strength without the waste of taxpayers' dollars. The build-up following the outbreak of hostilities in Korea, admittedly, was wasteful, and the after effects of this waste are still present. Much has been done to reduce this waste and still more remains to be done.

In reply to a request by Chairman Wigglesworth, Admiral Radford, Chairman of the Joint Chiefs of Staff, had the following to say:

Admiral Radford. The philosophy is * * * to prepare for the long pull instead of the year of crisis, and the problem is to evolve a military structure which is balanced as to the military requirements as we see them, and which is apable of being supported both from an available appropriations standpoint and personnel standpoint—the available manpower.

The gradual reduction in funding requirements over the past two years is attributable to several factors, the most important of which is the changed concept above stated by Admiral Radford. Improved weapons and a greater reliance on expanded air power are additional major factors. Other considerations which entered into the formulation of fiscal year 1955 requirements were (a) the end of the Korean war, (b) the increasing strengths of the NATO nations, (c) the greatly improved and expanded ROK Army, (d) the excess funding during fiscal year 1954 and prior fiscal years, of which great portions are continued available in 1955, and (e) the increasing efficiency and greater application of sound business methods within the Department of Defense.

OBLIGATION SUMMARY

The following tabulation shows in summary form, either actual or estimated, the prior year unobligated balances carried into each succeeding year, the new obligational authority made available to the

Department during fiscal years 1953 and 1954 and recommended in the bill for 1955, and obligations for 1953 and 1954:

(In millions)

Fiscal year	Unobligated carryover	New author-	Reimburse- ments and transfers (net)	Total available	Obligations
1953	1 \$4,034	\$44,602	\$1,975	\$50,611	\$43,640
1954 (estimate)	1 6, 129	34, 233	2,044	42, 406	31, 292
1955 (estimate)	1 9, 348	28, 681	1, 757	39, 786	(2)

¹ Exclude amounts which lapse. ² Budget estimate is \$35, 710 million.

Attention is called to the fact that for both fiscal years 1954 and 1955 the latest available obligation estimates are used in the above tabulation. The original obligations for 1954, as contained in the printed Budget amount to \$34,133 million, as compared with the \$31,292 million shown above.

The unobligated carry-over into fiscal year 1955 is budgeted at \$6,639 million, with total obligations of \$35,710 million. The latest reports from the Department indicate that the unobligated carry-over into 1955 will be \$9,348 million, with obligations estimated at \$38,168 The Committee is informed that the increase in the estimated carry-over into 1955 results primarily from the deobligation of obligations formerly recorded on the basis of letters of intent, etc., in order to conform with a determined concept of legal obligations following an audit by the General Accounting Office. A certain, presently indeterminable amount was also deobligated because of contract cancellations due to re-programming. The total of such deobligations during 1954 is estimated at \$2,581 million.

It is the view of the Department that actual programs for both fiscal years 1954 and 1955, involving obligations of approximately \$70 billion, have not been materially affected by the lag during 1954 and that in the final analysis this two-year program will be fulfilled or nearly fulfilled on schedule.

Obligations for 1955 will be reduced by an amount not precisely determinable at this time, based on committee reduction of \$1,20° million in funds requested.

EXPENDITURE SUMMARY

Funds available for expenditure and expenditures by the Department during fiscal years 1953, 1954 and 1955 are given below:

[In millions]

Fiscal year	Unexpended carryover	New availability	Transfers (net)	Total available	Expenditures
1953	1 \$54, 798	\$44,740		\$99, 538	\$41,739
1954 (estimate)	1 57, 111	34, 261	-\$730	90, 642	39, 939
1955 (estimate)	1 48, 147	28, 727		76, 874	(2)

Exclude amounts which lapse.
 Budget estimate of \$35,955 million will be reduced by an amount indeterminable at this time, based on committee feduction of \$1,203 million in funds requested.

MILITARY PERSONNEL

The following tabulation shows the current and projected military personnel strengths for each of the four services; with a further breakdown as between officers and enlisted personnel:

Military personnel strengths [In thousands]

	ĺ	Projected				
	Actual, December			Average	strengths	
	1953	June 1954	June 1955	Fiscal year 1954	Fiscal year 1955	
Type of personnel:						
Officers Enlisted personnel	358.9	364. 5 2, 945. 4	359. 3 2, 672. 9	364. 9 3, 051. 3	364. 1 2, 820. 0	
Entisted personner	3, 026. 9	2, 940. 4	2,072.9	3,001.3	2, 020.0	
Subtotal	3, 385. 8	3, 309. 9	3, 032. 2	3, 416. 2	3, 184. 1	
Officer candidates	17.1	17. 9	14.4	18. 3	16.8	
Total	3, 402. 9	3, 327.8	3, 046. 6	3, 434. 5	3, 200. 9	
Total personnel by service:						
Army	1, 481. 2 765. 4	1, 407. 2 740. 6	1, 172. 7 688. 9	1, 472. 1 771. 2	1, 308. 6 712. 4	
Navy Marine Corps	243.8	225.0	215. 0	241.5	220. 0	
Air Force	912. 5	955. 0	970.0	949. 2	960. 0	

The increase in Army strength and consequently total strength from the totals as originally budgeted (see Army strength tabulation, p. 14) to the above totals results from a recent decision by the Secretary of Defense to commission all eligible ROTC graduates in order to be consistent with the policies of the other services and to carry out the terms of agreements with those graduates.

It should be stated that even with the projected reduction, total military strength as of June 30, 1955, will be slightly more than double the strength as of June 30, 1950, when the Korean war broke

out.

Another factor which should be mentioned in any discussion of military strength is the estimated total of nearly four million trained enlisted personnel now in civilian life which could be called in case of all-out emergency. This situation did not prevail prior to Korea.

Considerable improvement has been made with respect to the more effective utilization of military personnel, and it is hoped that continuing study will be made with the view of (a) further reducing the percentage of nonoperating forces to total forces, and (b) replacing military personnel with civilian personnel. The overall percentage of nonoperating forces has been reduced from approximately 44 percent as of September 30, 1953, to 39 percent projected for June 30, Section 720 of the bill contains a provision making inapplicable the limitation on graded civilian employment whenever in the opinion of the Secretary of the military department concerned substitution of civilian for military personnel can be advantageously made. Military personnel in civilian occupations and dual supervision by military and civilian personnel have been subjects of inquiry by committees of the Congress whose general conclusions point to considerable savings through proper utilization of each category.

REENLISTMENTS

While the Services are making vigorous attempts to increase the reenlistment rates, especially of those individuals who possess greatly needed skills, the results have not been too encouraging. Information furnished the Committee indicates that during the first six months of fiscal year 1954 reenlistment rates of those in civilian life for a period of less than ninety days have been approximately as follows: Army, 25 percent; Navy, 42 percent; Marine Corps, 31 percent; Air Force, 43 percent. The reenlistment rate of inductees in the Army and Marine Corps has been averaging between five and six percent.

This matter of reenlistments is, in the opinion of the Committee, one of the most important problems confronting the Department today. Warfare and implements of warfare are becoming increasingly technical and complex. Training is becoming increasingly expensive. It is hoped that the Department will soon be in position to present to the Congress its recommendations for legislative or other action which

would tend to strengthen this phase of our national security.

RESERVE PROGRAMS

Another serious weakness of our military make-up is the absence of an effective reserve program. Obviously, the nation cannot afford, nor is it desirable, to maintain a regular military force of a size adequate to cope with probable emergencies. While the situation might improve somewhat during the ensuing fiscal year, reserve force goals have not been met during the last several years. Most of the reasons for this lag appear to be known to the Department. Bottlenecks of the program must be eliminated and incentive to serve in the reserves should be developed. Fund requests for the various reserve programs have been approved substantially as presented. Of a total of approximately 2½ million in the reserves at the end of December, 1953, nearly 619,000 are in drill pay status.

CIVILIAN PERSONNEL

Civilian employment for the Department of Defense has been reduced from a total of 1,329,795 in January, 1953 to 1,179,438 in January, 1954. Total employment as of February, 1954 is 1,167,634 of which 1,123,290 are chargeable to appropriations in the bill. Total of graded employees is 500,251, of which 450,678 are chargeable to

appropriations in the bill.

While the replacement of military with civilian employees is desirable and should continue to be encouraged proper assignment of civilian personnel also must be assured. Records of the Department show that during fiscal year 1953, within the continental United States, a considerable raising of the departmental grade structure occurred. Grades from GS-1 to GS-7 show decreases during the year of up to 31 percent, whereas grades GS-8 to GS-15 show increases of up to 25 percent. These increases took place at the same time that personnel in the United States was reduced by approximately 10,000 between June 30, 1952 and June 30, 1953.

With reference to super-grade positions, it was the understanding of the Committee that these type positions were needed to attract specialists and experts from industry. Records of the Department show that of a total of 69 super-grade positions filled since January 1, 1953, a total of 43 or over 62 percent were filled by departmental promotion. While in certain instances this may be justified, it is felt that the purpose for which super-grades were originally created is being distorted, which situation may call for a general and detailed review of all such positions.

Prior Committee Recommendations

The Committee desires to reiterate certain comments and recommendations made in its report on the bill for fiscal year 1954. These relate to military air transport service, classification of aircraft, need for greater uniformity of factors covering budgetary computations, and financing of interdepartmental activities. While it is understood that studies have been initiated on the first three subjects mentioned, nothing appears to have been done on the last above mentioned. Perhaps the Bureau of the Budget could be of some assistance in centralizing the present scattered financing and control of interdepartmental activities.

FLIGHT PAY

The Committee received testimony that the limitation on proficiency flying was, in certain instances, interpreted to restrict flying for training purposes. The history of this limitation, including the debate on the 1954 bill, includes no statement to the effect that training flying is to be limited. It is the intent of the Committee that this limitation be so administered as to leave no question that training flying, as determined by the Secretary, is excluded from the limitations contained in Section 721 of the bill.

Somewhat related to the matter of proficiency flying is so-called administrative flying. While the Services are becoming increasingly cost-conscious in many of their day-to-day operations, administrative flying does not appear to be one of them. Reports of Committee analysts, as well as Committee hearings, disclose too much of such flying. It is an extremely expensive convenience and must be

curbed.

RESEARCH AND DEVELOPMENT

It is believed that considerable improvement has been made in the control of research and development activities in order that we may have better results—and not necessarily for less money. This Committee has never underestimated the value of properly controlled and directed research and development activities. Creation of the Office of Assistant Secretary of Defense for Research and Development has done much to centralize control and provide more effective evaluation of projects prior and during development. It is hoped that further progress will be in evidence when the bill for fiscal year 1956 is under consideration. The Committee effected minor reductions in this activity for each of the three Services, principally on the basis of substantial unobligated balances projected as of the end of the current fiscal year, and the belief that more careful scrutiny of projects and duplicatory activities will result in additional savings.

There is some question that all Services are uniform as to the inclusion in research and development appropriation items of indirect costs. It is suggested that the Assistant Secretary for Research and Development and the Office of Comptroller make certain that all such indirect costs are presented uniformly in the estimates for fiscal year 1956.

FISCAL SITUATION IN DEPARTMENT

The fiscal record keeping within the Department of Defense, and particularly within the Army, was commented on by the Committee in its report on the 1954 bill. As a result of a General Accounting Office audit on the validity of obligations of Mutual Defense funds made at the request of this Committee, the Secretary of Defense directed, on June 19, 1953, that an audit be conducted by each of the three Services with the view of ascertaining, among other things,

the extent of non-compliance with anti-deficiency laws.

These audits, conducted by auditors of the Services themselves revealed, among other deficiencies, over 1,200 violations of Section 3679, Revised Statutes, during fiscal year 1953. Section 3679 requires, in part, that such violations be reported to the President, through the Director of the Bureau of the Budget, and to the Congress. These violations, known since January, 1954, remain unreported to date. It would seem to the Committee that those charged with fiscal responsibilities within the Department could have by this time supplied the Secretary with the legally required data which would enable him to comply with the law. While the statute makes a definite distinction between types of violations and penalties therefor, it makes no distinction with respect to reporting to the President and the Congress.

If the laws governing record keeping and reporting are severe or impractical from the standpoint of administration or enforcement the General Accounting Office and the Bureau of the Budget should submit recommendations for amendment thereof, but so long as they are on the statute books they must be complied with. The accounting for billions of dollars worth of goods and services, scattered among thousands of locations throughout the world, is, to say the least, a task of tremendous magnitude. On the other hand, the importance of fully accounting to the public for nearly two-thirds

of its yearly taxes also must not be underestimated.

It is sincerely hoped that the Advisory Committee on Fiscal Organization and Procedure can make some progress in bringing order out of a long existing chaotic fiscal situation within the Department of Defense. It certainly will have the full support of this Committee.

SURPLUS PROPERTY

The matter of surplus property disposal has been of great concern to the Congress for many years. It is feared that the importance of this activity has not been fully appreciated by those charged to carry out the laws governing this operation. We are spending each year hundreds of millions of dollars to develop improved weapons and equipment, then billions of dollars to procure the new and better equipment, but have had no systematic and continuing method of disposing of equipment and materials considered surplus to military needs. Department of Defense warehouses are full of equipment no longer serviceable, but as to how much, no one can say. With the continuing development of new and improved implements of war and the rapid obsolescence of many items, especially aircraft, a sound disposal program is of prime importance. It deserves the attention of the best brains in the Nation that can be recruited for the purpose.

It is noted that the Army has organized, and is now in the process of carrying out a forceful program. Proper inventory control, corre-

lation of purchase and disposal of like or similar items and an aggressive and continuing disposal program must be pursued vigorously by all Services. When it is considered, as testified, that storage costs over a ten year period generally equal the original cost of items, annual savings of hundreds of millions of dollars could well be in prospect.

Officers' Clubs and Rest Hotels

Although it is recognized that officers' clubs and rest hotels are, in general, operated with non-appropriated funds, the Committee has reason to doubt that all items of cost are defrayed with non-appropriated funds. Management, other administrative costs, transportation and handling of goods, etc., are very likely charged to appropriated funds. It is recommended that an analysis of facilities be made to assure that there are both adequate attentions to the interest of the U.S. abroad, and to the appropriated dollars of the American taxpayer.

JOINT USE OF FACILITIES

The Committee suggests a review of all manufacturing and repair facilities utilized by each of the Services with the view of consolidating the use thereof in those instances where it would be economical and otherwise advantageous to do so. Not only do requirements of each Service change from time to time, but the gradual trend toward standardization of many items would seem to call for a continuing alertness to the possibilities of greater joint use of facilities, both here and abroad.

GENERAL PROVISIONS

The following comments are in explanation of action of the Committee with respect to several general provisions under Title VII of the bill:

Section 709 includes general authority for each of the Services to pay deficiency judgments and interest thereon arising out of condemnation proceedings. Heretofore, only the Army and Air Force had such authority.

Section 715 amends present section 622 to consolidate for all Services amounts available for the preparation, etc., for sale or salvage

of surplus military supplies and equipment.

Section 717, relating to operation of commissaries, is retained in substantially the same form as carried in the 1954 Act. Testimony on this subject would indicate no hardship resulting from the current restriction on the operation of commissaries. During the fiscal year only six commissaries were closed, three because of deactivation of the base, two because of excessive operating costs, and one because of failure to meet the criteria established by the Secretary of Defense. The last proviso of the section is deleted since it is permanent by its terms.

Section 719 is made permanent law. The Department is complying with the provisions of this section and is in full accord with its intent.

Section 720 amends present section 627 to exempt the Services from the civilian personnel ceiling of 475,000 in those instances where graded civilian personnel can be advantageously substituted for military personnel, and permits the transfer of funds to accomplish the purpose.

Section 721, relating to proficiency flying, is a slight modification of

present section 628 in order that its temporary, or annual, character may be affirmed. The Committee intended in the 1954 Act and now intends that this section be interpreted as applying only to the year for which written.

Section 722 amends present section 629 to permit the transportation of goods and household effects up to eleven thousand pounds in any one shipment. It is understood that this matter will be further

studied by the House Committee on Armed Services.

Section 632 of the present law relating to article 15 of the Standard Government Contract is deleted from the accompanying bill. It is understood by the Committee that the provisions of this section have been complied with. It is the intent of the Committee that Article 15, as amended in accordance with provisions of this section, continue in force.

Section 727, relating to the use of foreign credits, is left substantially as at present, but provides for quarterly reporting by the Department on property, supplies, and commodities received during the fiscal year.

Section 729 makes the like section in the current act permanent law. The Committee can see no justification in paying residents of a territory or possession foreign duty and other allowances while resid-

ing within those territories or possessions.

Section 730 is a revision of the limitation which appeared as Section 641 of the Appropriation Act for 1954. As carried in Section 730, up to 75 percent of tuition and expenses for off-duty education at civilian institutions will now be payable for enlisted and other than commissioned personnel without further restriction. Commissioned personnel will be required to obligate themselves to serve on active duty for two years after the completion of any such training in order to qualify for the expense assistance of up to 75 percent. No limitations on eligibility related to rank are imposed.

Section 731 is included for the first time and is self-explanatory. Section 732, relating to the Boards of Visitors to the service academies amends permanent law to provide that the annual visitation may be at any time rather than during the month of April, one of the

busiest months in Congress.

It is understood that many of the legislative provisions, presently carried in items of appropriation and as general provisions will be reviewed by the House Committee on Armed Services with the view of enacting permanent legislation. Many of the legislative provisions are of a minor nature. Others are more significant. It is hoped that all or a major number of these provisions will be satisfactorily resolved by the legislative committees having jurisdiction prior to the consideration of the Department of Defense bill for fiscal year 1956.

TITLE I

NATIONAL SECURITY TRAINING COMMISSION

The amount of the budget estimate, \$55,000, is approved. This Commission was created to formulate comprehensive programs and legislative recommendations with respect to conduct of training in the National Security Training Corps. This Training Corps has not been established, but the Commission, at the direction of the President, is continuing studies on various aspects of reserves and reserve

training with the view of recommending legislation to the Congress. The Commission also serves as a focal point for activities of other Federal agencies directly or indirectly concerned with this problem.

TITLE II

OFFICE OF THE SECRETARY OF DEFENSE

Salaries and expenses.—The budget estimate of \$12,500,000 is approved in the amount of \$12,000,000, a reduction of \$500,000 in the estimate, and \$800,000 below the amount appropriated for the current fiscal year. Some savings have already been effected in activities under the Office of the Secretary and indications are that further economies will result during the ensuing fiscal year. The Committee feels that generally more effective administration will result from overall enforceable policy directives and guidance than from too detailed an involvement in the operations of the individual Services.

Office of Public Information.—The original budgeted request for this activity of \$1,000,000 was voluntarily reduced to \$500,000. The revised request is approved in full. This amount is included in the overall limitation of \$3,500,000 on all information activities contained in Section 725 of the bill. This compares with a limitation of

\$4,500,000 provided for the current fiscal year.

Considerable justifiable criticism has been leveled at the Office of Information in the recent past because of the apparent lack of control over releases emanating from the several sources within the Department. It was testified that the individuals engaged in this activity in each of the three Services and in the Office of Public Information will in the future work more closely together and correlate their activities in such manner as to permit the localizing of responsibility for acts of commission and omission.

TITLE III

INTERSERVICE ACTIVITIES

Included under this general head are the following activities, applying to the Department of Defense as a whole: (1) claims, (2) retired pay, (3) contingencies, (4) emergency fund, (5) reserve tools and facilities, (6) construction of ships for military sea transportation service, and (7) Court of Military Appeals.

With respect to claims and retired pay, the budgeted amounts, respectively, of \$7,680,000 and \$404,500,000 are approved in full. These are mandatory expenditures over which the Department can

exercise no control.

The contingency fund for which \$50,000,000 was requested is approved in the amount of \$40,000,000. This amount is under control of the Secretary of Defense and is used to meet emergency and extraordinary conditions involving national security.

The emergency fund is, in the main, used to finance joint test activities in the atomic test area. The amount of \$25,000,000, a

reduction of \$10,000,000 in the estimates, is recommended.

The amount of \$250,000,000 previously appropriated for reserve tools and facilities is not continued available. The Committee feels

that other funds appropriated for procurement purposes can be

utilized for these items should the need arise.

For military sea transportation service, the bill includes \$50,000,000, or the full budget estimate. This appropriation is necessary to provide specialized types of ships for transportation requirements of all armed services. One of the seven of proposed vessels will be specially designed to carry wheeled and tracked vehicles of the armed forces. The remaining six will be special ice-strengthened cargo and tanker vessels to meet the growing requirements of arctic transportation.

The amount of \$320,000 requested for the Court of Military Appeals is approved in full. This court provides a civilian review of the more serious court-martial convictions in all branches of the armed services.

TITLE IV

DEPARTMENT OF THE ARMY

SUBCOMMITTEE

GERALD R. FORD, Jr., Michigan, Chairman

EDWARD T. MILLER, Maryland

ROBERT L. F. SIKES, Florida

GENERAL STATEMENT

The budget estimate for the Department of the Army is predicated upon a military manpower strength at the end of fiscal year 1955 of 1.172,700. This compares with an actual strength as of December 31, 1953, of 1,481,177, and an estimated average in fiscal year 1955, of

1,308,558.

The average military strength in fiscal year 1955, although approximately 173,000 less than the numbers on hand as of Dec. 31, 1953, will nevertheless provide for a fighting force which is deemed adequate to perform the missions which the Army will be expected to accomplish. It should be borne in mind that this force, to be strategically located for maximum mobility, is the greatest Army ever maintained by this nation on a full-year basis in the absence of actual warfare.

The Committee, in evaluating the estimates presented, took note of the proposed distribution of strength as between major fighting units, indicated in the following chart, and calls attention to the fact that emphasis is placed on continental defense as shown by the numbers of anti-aircraft batteries proposed. Note that the dates selected correspond roughly to the start and finish of the Korean War, and compares those periods with the strength proposed at the end of fiscal vear 1955.

	Numbers as of:			
	June 30, 1950	June 30, 1953	June 30, 1955	
Divisions Regiments and Regimental Combat Teams Anti-aircraft Battalions	10 12 48	20 18 114	17 18 122	

The President's budget, transmitted to the Congress on January 21, contained an estimate of \$8,211,000,000 for the appropriation requirements for these forces. This estimate was based upon a then anticipated average military manpower strength of 1,302,400, and included certain amounts necessary for the estimated dollar equivalent of foreign credits furnished United States forces overseas. Subsequent action increasing the program for the commissioning of R. O. T. C. graduates, revisions by the Department of the Army in certain computations, and action by the Committee in removing the requirement of

dollar equivalent for foreign credits has resulted in revised requirements for the Army as follows:

Appropriation title	Original request	Decrease in requirements	Revised requirement
Military Personnel. Maintenance and Operations. Military Construction, Army Reserve Forces. Reserve Personnel Requirements. Army National Guard Research and Development. Promotion of Rifle Practice. Operation and Maintenance, Alaska Communication System.	\$4, 211, 300, 000 3, 316, 600, 000 15, 000, 000 90, 000, 000 218, 530, 000 355, 000, 000 100, 000 4, 470, 000	\$47, 476, 000 409, 228, 000	\$4, 163, 824, 000 2, 907, 372, 000 15, 000, 000 90, 000, 000 218, 530, 000 355, 000, 000 100, 000
Total	8, 211, 000, 000	456, 704, 000	7, 754, 296, 000

The actions taken requiring that all eligible R. O. T. C. graduates be commissioned and placed on active duty led to a revision in the military strength estimates over that originally presented. The revision, and a comparison with the current and prior fiscal year, are indicated in the following table:

	Officers	Enlisted men	Cadets	Total
Average, 1953Average, 1954	149, 481	1, 383, 816	2, 243	1, 535, 540
	138, 086	1, 331, 786	2, 243	1, 472, 115
Beginning, 1955: Original Revised End, 1955:	131, 900	1, 273, 600	1, 700	1, 407, 200
	131, 900	1, 273, 600	1, 700	1, 407, 200
Original Revised Average, 1955:	119, 000	1, 043, 000	2, 000	1, 164, 000
	126, 300	1, 044, 400	2, 000	1, 172, 700
Original Revised	125, 600	1, 174, 400	2, 400	1, 302, 400
	131, 558	1, 174, 600	2, 400	1, 308, 558

In consideration of the estimates, reduced as noted above from \$8,211,000,000 to \$7,754,296,000, the Committee made only nominal additional reductions totalling \$138,773,000, and recommends the appropriation of \$7,615,523,000. This amount is a gross decrease of \$595,477,000 from the budget estimates, and is \$5,321,883,000 less than the amount appropriated in 1954. The decrease from the amount appropriated in 1954 is not, however, of the severity indicated at first glance. In fiscal year 1954, there was appropriated \$3,224,633,000 for Procurement and Production for which there is no comparable estimate in 1955. Further, there were included in 1954 sufficient funds to support combat in Korea, which in the case of the "Maintenance and Operations" item alone were in excess of \$500,000,000. Thus, although a precisely comparable base is difficult to establish, the real decrease below 1954 funds is more in the order of \$1.5 billion than \$5.3 billion.

FUNDS AVAILABLE FOR OBLIGATION

On the basis of the estimated appropriation for 1955, the Army indicates that it will incur approximately the same amount of obligations in 1955 as is budgeted for 1954. This situation arises as a result of (1) funds which are available without stipulation as to time;

and (2) the cancellation or withdrawal of prior years' obligations in the field of Procurement and Production where production schedules are being cut back below the levels attained just prior to the close of the Korean War. In summary, the availability of funds for obligation is indicated below:

Amounts available for obligation

	Actual, 1953	Estimate, 1954	Estimate, 1955
Appropriation or estimate	\$12, 787, 500, 000 +361, 166, 787	\$12, 937, 406, 000 -170, 425, 000	\$8, 211, 000, 000
Balance available in prior year. Prior year balance available	-250, 000, 000 1, 663, 559, 907 31, 750, 000 1, 228, 862, 691	1, 815, 551, 527 800, 000, 000 187, 500, 000 965, 912, 000	4, 110, 241, 807 100, 000, 000 187, 500, 000 918, 635, 000
Total available for obligation	15, 822, 839, 385 -1, 815, 551, 527 -320, 341, 851	16, 535, 944, 527 -4, 110, 241, 807 -1, 133, 504, 250	13, 527, 376, 837 -2, 246, 989, 807
Obligations incurred	13, 686, 946, 007 -11, 425, 640 +113, 268, 281	11, 292, 198, 470 +186, 803	11, 280, 387, 000
Goods and services provided by Federal Republic of Germany and Berlin magistrate.	+417, 683, 786	+389, 043, 622	
Total obligations	14, 206, 472, 434	11, 681, 428, 895	11, 280, 387, 000

Note.—Excludes military construction, Army, construction, Alaska communication system, and civilian relief in Korea.

Directly associated with the above is the Committee's recommendation that the amount of \$500,000,000 be rescinded from appropriations previously made for Procurement and Production. It should be noted that \$2.237 billion of the \$2.247 billion available in years subsequent to 1955 is in the Procurement and Production account.

PROGRAM FOR THE RESERVE OFFICERS TRAINING CORPS

As noted briefly above, the program of the Department of the Army for the commissioning and active duty service of the current year eligible graduates of the senior division, R. O. T. C. underwent a change between the presentation of the President's budget and the formal hearings. It had been planned to call to active commissioned duty, for two years, only a selected number, calling the remainder to active training duty for a period of ninety days. This latter group was then to have been commissioned and released to inactive duty with an enforceable obligation to participate in the Army Reserve Program. In order to attain a degree of consistency with the R. O. T. C. policies of the other services, the program of the Army now contemplates that all eligible graduates will be commissioned and placed on two years active duty pursuant to the original arrangement. This present plan involves an increase in end strength of 8,700 personnel above the budget and affects funds in three appropriation items, namely, "Military Personnel", "Maintenance and Operations", and "Reserve Personnel Requirements". It is the Committee's belief that the amount of approximately \$17 million excess requirements thus generated in the former two items can be readily absorbed within the totals recommended. In the case of the item for "Reserve Personnel Requirements", the Committee recommends no change in the estimate.

FINANCIAL PROPERTY ACCOUNTABILITY

The Committee looks forward to more accurate budgetary presentations in the future resulting from the adoption of a new financial property accountability system in the Department of the Army. This new system, tying physical inventory and money value together for the first time, should be reflected in more accurate knowledge of inventories, better control of inventories, more effective purchasing, and a general reduction in the volume of goods carried on the shelf. The development of such a system has been long overdue in the Army, and that is particularly true of overseas installations where inventory and inventory controls systems often have been either ignored or so sloppily administered as to be of negligible value. Under the new system, incidents such as occured in Austria, where \$300 Arctic heater kits were received for installation in Army automobiles when the item requisitioned had been an ordinary civilian type automobile heater at a cost of about \$25, should not take place.

MANPOWER UTILIZATION

In the course of the hearings, the Committee noted several instances in which the numbers of military personnel budgeted for supply, service, and administrative activities in fiscal year 1955 was greater than the numbers estimated in fiscal year 1954, in spite of a general reduction in military manpower of about 11%. In addition, there were other instances of assignments to such activities wherein the decreased numbers were not in proportion to the general reduction. Recognizing that many such activities are not directly related to the overall manpower strength, the Committee is nonetheless perturbed at the apparent failure to effect a full measure of reduction in military

personnel assigned to routine non-combatant duties.

In direct contrast to the seemingly over-stated need for military personnel portrayed in the estimates, the Committee was highly gratified to receive a report on the reviews of Tables of Organization, which reviews have been underway for some time, largely at the insistence of the Committee. It was reported that during calendar year 1953, nearly 49,000 military spaces, or positions, in the fields of fillers, mess personnel, orderlies, dispatchers, etc., were eliminated, and that additional studies, under way or recently concluded, have for consideration approximately 30,000 more military positions. The great strides made, and the studies under way appear to conflict with the budgetary presentation, and the Committee strongly urges that this field of manpower utilization be continuously and critically explored to obtain the maximum combat force from the minimum uniformed persons. In addition to the achievement of more effective fighting strength, the manpower studies may also lead to direct economies, since one obvious alternative to military manpower is the use of more civilians whose annual cost is considerably less, on the average, than that of the man in uniform.

The Committee is concerned about another area in the utilization of manpower, where it feels that an increase in the numbers of military personnel assigned might well be justified. In recent years, the numbers of military men assigned to the junior Reserve Officers Training Corps program has been decreased, and the budget estimate

makes no reference to an increase. The Committee suggests that the Army might find it possible to utilize some of the spaces, found unnecessary elsewhere, in the sphere of high school R. O. T. C. instruction, particularly where the local community vigorously supports the program.

MILITARY PERSONNEL

The Committee recommends an appropriation of \$4,150,479,000, a reduction of \$60,821,000 in the estimate of \$4,211,300,000, and \$558,380,000 below the amount appropriated in 1954. The amount of the reduction in the estimates consists of three major factors, (1), reductions volunteered by the Army in the amount of \$40,942,000; (2), an elimination of \$6,534,000 representing dollar equivalent of foreign credits no longer required because of the action of the Committee on Section 727; and (3), actions taken by the Committee totaling \$13,345,000.

This appropriation title covers the pay, allowances, individual clothing, permanent change of station travel costs, and subsistence of Army personnel and various other costs directly concerned with military personnel, such as expenses incident to the movement of troop detachments, expenses of apprehension and delivery of deserters.

etc.

The Committee reductions are two, the first being a decrease of \$5,000,000 in the \$483,153,000 estimated for subsistence on the basis of testimony that the cost factors for losses in storage, in transit, and in commissaries can be improved. The second item is a decrease of \$8,345,000 in the \$166,900,000 estimated for the cost of permanent change of station movements of individuals. This reduction is made on the basis that the Army can and should improve its position with respect to the stabilization of assignments. In an effort to analyze this item, the Committee noted that materials required by its analysts were not forthcoming in time to be of value, having been delayed by apparent administrative red-tape within the Army.

Language covering several functions has been deleted here and is added to the appropriation "Maintenance and Operations" since such location is more in keeping with the character of the items which are: (1) courts, boards and commissions, (2) welfare, recreation and informational services, (3) educational services, (4) civilian clothing for discharged prisoners, (5) medals and awards, and (6) chaplains'

activities.

Maintenance and Operations

The amount recommended by the Committee, \$2,792,179,000 is a decrease of \$524,421,000 from the estimate of \$3,316,600,000 and is \$1,550,821,000 less than the amount appropriated for 1954. The reduction recommended consists of three parts, (1) a total of \$144,761,000 volunteered by the Army, (2) \$264,467,000 in foreign credit equivalent, resulting from the provisions of section 727, and (3) \$115,193,000 in Committee actions.

Items financed through this appropriation include administration and rents at the seat of government; medical, dental, and other health care; information and educational services; recruiting expenses; transportation services; engineering planning; purchase of ambulances; hire of passenger motor vehicles; field exercises and maneuvers; and

many other matters of routine maintenance and operating cost to the

Army.

The specific recommendations of the Committee include a decrease of \$142,000 in the Army cost of printing done at the Government Printing Office resulting from a 5 percent reduction in the labor rates there, to which the Army agrees. The other major areas of Committee action are as follows:

Activity	Reduction
Evaluation system	\$500,000
Training (including a 20 percent decrease in the estimate of \$500,000	,
for training at civilian institutions)	3, 500, 000
Supplies and Minor Equipment (including an estimated additional	-,,
\$12,500,000 in stock fund credits available)	59, 500, 000
Procurement operations	5, 000, 000
Supply, distribution and maintenance	16, 000, 000
Joint projects (including \$2,500,000 in the testing program of the	., ,
Armed Forces Special Weapons project	2, 623, 000
Army-wide Services:	, ,
Administrative	2, 950, 000
Logistics	7, 620, 000
Medical Care	538, 000
Installation Support:	,
Administrative (security guards)	2, 500, 000
Logistics	2, 174, 000
Other Operational Activities	12, 146, 000

Of the amounts noted above, the Committee wishes to direct especial attention to certain specific items, such as recruiting (Armywide Services, Administrative), where \$200,000 of the reduction recommended is on the basis that the sponsorship of television programs be either eliminated or that the quality of the shows improve. The Committee was not impressed by the programs currently being sponsored, feeling that they are not of sufficient merit to attract recruits. Further, the Committee is definitely of the opinion that if, the Army feels it necessary to compete with private industry in the entertainment business, it should do better than it has done.

The decrease recommended in the Medical Care item reflesct a reported modest reduction in the cost of medical supplies below the

prices used in the computation of the budget estimates.

Under the heading "Installation Support, Administrative", the decrease is directed at the budgetary program for the hire of security guards at overseas locations. Testimony indicated that these guards were granted what appears to be more liberal leave allowances than employees of the United States classified civil service receive. In addition, although not reflected in the estimates for this activity, the numbers of military personnel assigned to the security guard program

appears to warrant investigation.

The Committee directs that the budgeted activities under the title "Installation Support (Logistics)" be reviewed and reduced by the sum of \$20,000,000 in addition to the decrease of \$2,174,000 noted above, and that the \$20,000,000 be earmarked for, and used exclusively for, the deferred maintenance program. The Committee, in reporting the appropriation bill for 1954, recommended \$5,000,000 be applied to the deferred maintenance program, yet the budget presented for 1955 contained no estimate for this very vital activity. The amount herein directed to be applied will accomplish approximately one-fifth of the pending backlog, and the backlog will continue to increase without this type of action.

The budgetary program entitled "Other Operational Activities" included \$21,146,000 for the hire of Koreans as mess personnel, construction labor, and service personnel of various kinds. It would appear that, with the cessation of combat, a great portion of the work which was done by these Koreans has been accomplished. If, as may well be the case, the employment of such numbers of native citizens is necessary to assist in the support of the Korean economy, then the costs should be borne by some more appropriate relief and rehabilitation agency than the United States Army. The Committee has allowed \$9,000,000 of the requested amount for such services as are still essential for the benefit of the United States Army forces only.

MILITARY CONSTRUCTION, ARMY RESERVE FORCES

The Committee recommends \$15,000,000, the full amount of the budget estimates, and an increase of \$5,906,000 over the amount appropriated for 1954. Language has been included to exempt from the statutory matching of funds by States, the funds for non-armory Similar language was included in 1954 under the head construction. "Army National Guard".

The Committee was gratified to learn that the programs for armory and non-armory construction are at last moving rapidly forward, for example, the rate of obligation of funds in the month of January was nearly \$1.1 million, however, subsequent information indicates that the rate has increased to nearly \$1.8 million per month, and as a consequence the budget estimates may be realized.

Funds provided under this heading are available until expended, and the estimates indicate that nearly \$23.0 million of previously appropriated money will be available as of June 30, 1954, for the fiscal year 1955, in addition to the amount recommended in this bill.

Reserve Personnel Requirements

The Committee recommends an appropriation of \$90,000,000, the amount of the budget estimates, and an increase of \$4,500,000 over

the sum appropriated for fiscal year 1954.

Testimony indicated that in the various budgetary review processes an error in calculation was made which resulted in the estimate being understated by slightly more than \$1.8 million. It was also stated that, as a result of the change in policy with respect to the commissioning of R. O. T. C. graduates, the amount of \$960,000 would not be required. In recommending the amount of the official budget request, the Committee is in effect reducing the funding requirements by the difference between these two figures, or nearly \$900,000.

It is gratifying to note that after a period of failing strength, the Army Reserve forces are now approaching the estimated position in terms of numbers of persons in inactive duty pay status. Compara-

tive strengths, in this category follow:

Number in pay status as of—	Estimated	Actual
June 30, 1952	160,000 270,000 210,000 195,000	134, 937 117, 323 133, 326 1 148, 000

¹ Revised estimate.

The Committee feels that, although there may be areas wherein the estimates are susceptible to modest reductions, any savings that may be achieved should be applied to the pay, for two weeks active training duty, of those reservists whose residence is so far removed from a reserve unit as to prohibit their attendance at weekly or semi-monthly drills. This proposal conforms to the recommendations of the Reserve Officers Association.

ARMY NATIONAL GUARD

The amount of the budget estimate, \$218,530,000, is recommended for appropriation. This is an increase of \$8,495,000 above the amount

appropriated for 1954.

Recent gains in the strength of the National Guard have been most encouraging, and indicate that the budgetary proposals will be more nearly realized than for some time past. Strength data are summarized as follows:

Army National Guard strength

	Requested	Approved	Attained
953:			
Opening	_ 225, 000	225, 000	213, 938
Closing	_ 362,000	300,000	255, 887
Average	_ 293, 500	262, 500	234, 912
954:			
Opening	_ 265,000	265,000	255, 887
Feb. 28, 1954			292, 469
Closing	_ 300, 000	300,000	1 300, 000
Average	_ 282, 500	282, 500	1 277, 662
955;			,
Opening	_ 300, 000		
Closing	_ 325, 000		
Average	312, 500		

¹ Estimated.

Because there are pending a study and recommendations on all military reserve forces, because of the role the National Guard in the antiaircraft continental defense, and in addition because of the increasing Guard strength, the Committee is recommending no decrease in the budget estimates.

RESEARCH AND DEVELOPMENT

The Committee recommends the appropriation of \$345,000,000, the same amount as appropriated for 1954, and a decrease of \$10,-

000,000 in the estimates.

With a tendency toward decreasing emphasis on warfare by conventional mass armies, with a decrease in the military personnel strength of our own Army, and with new weapons and devices of literally unthought of possibilities, the maintenance of a sizeable research structure is of primary importance.

The amount of the reduction in the estimates is modest, particularly in view of the presently estimated unobligated balances as of June 30,

1954, of nearly \$44.0 million.

NATIONAL BOARD FOR PROMOTION OF RIFLE PRACTICE

The Committee recommends appropriation of \$100,000, the amount of the budget estimate, and the same amount as was appropriated

for fiscal year 1954.

The Committee is gratified to learn that, as a result of its recommendation last year, there has been increased emphasis placed on the marksmanship training of younger men, the junior groups in ages 12 to 17 years. As stated previously, the Committee believes that the instruction of this younger group in the elements of handling of arms is a significant aspect of the program of the Board.

ALASKA COMMUNICATION SYSTEM

OPERATION AND MAINTENANCE

The Committee recommends appropriation of \$4,235,000, a reduction of \$235,000 in the estimates, and \$6,950,000 less than was appropriated for 1954. The request for fiscal year 1955 is for normal, routine maintenance and operating costs of the system. The appropriation for 1954 of \$11,185,000, contained slightly over \$7,000,000 for construction items which are non-recurring in nature. The amount recommended for 1955 is thus a very modest increase over the comparable amount contained in the 1954 Act.

The Committee was gratified to learn of the long overdue commercial rate increase which brings service charges more in line with rates charged by private enterprise for similar services. The Committee is extremely disappointed that there have been no concrete results from its previous recommendation that the Alaska Communica-

tion System be placed on a more businesslike fiscal structure.

REDUCTIONS IN APPROPRIATIONS

PROCUREMENT AND PRODUCTION

The Committee is recommending the rescission of \$500,000,000 of the funds previously appropriated under this heading. Out of these funds, appropriated annually since 1951, but without time limit as to availability, there were estimated to be available in fiscal year 1954 a total of \$6,387,589,807 including reimbursements and amounts resulting from reductions in contracts. Of the funds available in fiscal year 1954, it is the Army plan to obligate \$2,300,000,000, leaving the sum of \$4,087,589,807 to be carried over into fiscal year 1955. In the 1955 fiscal year, additional amounts totalling \$650,000,000 will become available by reason of reimbursement or contract reductions, and the planned obligations for that year amount to \$2,500,000,000. Thus, at the end of fiscal year 1955, on June 30, 1955, the budget estimate predicts that there will be unobligated funds to be available in fiscal year 1956 in the amount of \$2,237,589,807.

The Committee, in recommending rescission of the \$500,000,000, recognizes that it might have recommended a greater sum. However, the Army feels, and the Committee for the present concurs, that it is desirable to leave a substantial dollar amount available to the Army so that it may have the benefit of knowledge that funds are available when developing or negotiating the purchase of long-lead time articles.

It should be understood that any additional resources, in the form of greater carryover at fiscal year 1954 end or developed in any other manner, excess to the programmed obligations for fiscal year 1955

should be placed in reserve for the fiscal year 1956.

In rescinding only \$500,000,000 of Procurement and Production funds, the Congress is, in effect, giving approval to the obligational program which the Army has indicated as desirable to maintain a prescribed military readiness position. It should be recognized, however, that this form of approval is as to policy, and does not extend to the specific details supplied for the use of the Committee in reviewing the program. There are, indeed, a number of individual items listed in the classified justifications the military necessity for which is of speculative urgency.

ARMY STOCK FUND

In spite of a rescission of surplus cash in the amount of \$285,000,000 accomplished in the appropriation Act for 1954, the Army Stock Fund is again in an overcapitalized position. This results in part from better control of inventories, in part from the sale of inventories not requiring replacement, and in part from the retention of cash not required because of cessation of hostilities in Korea with consequent reduced requirements. The recommended rescission of \$300,000,000 is from a present estimate of unallocated cash position in excess of \$320,000,000 and which may be expected to increase.

TITLE V

DEPARTMENT OF THE NAVY

SUBCOMMITTEE

RICHARD B. WIGGLESWORTH, Massachusetts, Chairman

HAROLD C. OSTERTAG, New York

HARRY R. SHEPPARD, California

GENERAL STATEMENT

BASIS OF COMMITTEE BILL

The budget estimates for the Navy and Marine Corps total \$9,915,-000,000, of which \$45,000,000 is liquidation cash and \$9,870,000,000 is new obligational authority. This is a net increase of \$476,690,000 over 1954 appropriations of \$9,438,310,000. Corresponding appropriations for 1953 totaled \$12,842,460,000. All amounts are exclusive of military public works.

The basis of the Navy budget is well summarized in the following excerpt from the statement of the Secretary before the Committee

on February 9, 1954:

The Navy Budget which I am recommending for your approval amounts to \$9.87 billion and is designed for the specific purpose of continuing the improvement of the combat strength in our Navy and Marine Corps. Our Budget for 1954 was \$9.36 billion. While the funds requested for fiscal year 1955 are approximately \$500 million more than appropriated for fiscal year 1954, the increase in funds requested for procurement of aircraft and ships amounts to nearly \$1 billion. This indicates that in the areas of personnel, maintenance, and operation, substantial savings will be made. Such a distribution of funds which we are requesting is the result of our efforts to increase military strength while at the same time to reduce the supporting costs.

At another point, the Secretary said:

We are building up the fighting strength of the Navy and Marine Corps, particularly our air power, by employing new weapons and equipment and through better organization and utilization of our manpower.

SUMMARY OF COMMITTEE BILL

The Committee recommends a total of \$9,705,818,500, all but \$34,000,000 of which is new obligating authority. This is a reduction of \$209,181,500 below the estimates. It is, however, for the reasons indicated in the above excerpt from the Secretary's statement, in excess of 1954 appropriations by \$267,508,500. In addition, the committee recommends rescissions totaling \$225,000,000 from the Navy and Marine Corps stock funds.

As explained later herein, all research and development funds have been consolidated into a single appropriation which will put the

Navy on the same basis as the Army and Air Force.

The several items making up the \$209,181,500 reduction are explained in subsequent paragraphs, but it may be said here that

they will in no way reduce the size or adversely affect the capabilities of either the Navy or the Marine Corps. In broad outline, the

budget and the bill provide for-

1. Active fleet.—Operation of 1,080 ships and vessels in the active fleet, a reduction of 46 from the number operating in 1954. These consist of escort carriers no longer required for the Korean operation and some auxiliary and other supporting vessels. The fleet will continue to grow in combat power, however, by deliveries of new ships from previously funded construction programs. Current manning levels of 80 percent officer and 87.5 percent enlisted (100 percent for submarines), based on wartime complements, will be continued.

2. Shipbuilding.—Continued construction is provided for to prevent mass obsolescence some years hence. The 1955 program embraces construction of 30 ships of all classes, including a fourth Forrestal carrier and a third nuclear-powered submarine, plus 1,040 landing and service craft, and the modernization of 17 ships. Provision is also included for continued upkeep of the "mothball" fleet of approxi-

mately 1,400 ships as an important mobilization reserve.

3. Operating aircraft.—Operation of the currently authorized (and actual) strength of 9,941 operating aircraft. Combat capabilities of the air arm will continue to improve during 1955 through delivery of more modern, higher performance aircraft funded under prior procure-

ment programs.

4. Aircraft procurement.—The aircraft procurement program has as its primary purpose the modernization of the authorized operating force of 9,941 aircraft. The amount recommended, when added to the substantial unexpended balances previously appropriated, is estimated to provide 87 percent modernization by December, 1956, which is the end of the funded period. Presently, the air operating forces are about 45 percent modernized.

5. Marine Corps.—The bill provides for continuation of three

combat divisions and three combat air wings, at full strength.
6. Military Personnel.—The bill provides for an end fiscal year 1955 strength of 682,000 for the Navy and 215,000 for the Marine Corps. For the Navy, this is a reduction during the year of approximately 52,000 personnel, made possible in part by the decision to reduce the active fleet by 46 vessels and by reductions in various fleet support areas. As previously noted, current fleet manning levels are not affected. Marine Corps personnel strength will drop by 10,000 during the year. Despite this overall reduction, however, the plans show that the Fleet Marine Force will increase about 6,300 personnel.

7. Civilian Components.—Funds are included in amounts substantially above 1954 appropriations in order to permit expansion and strengthening of Naval and Marine Corps Reserve organizations

as vital elements of national defense.

MILITARY PERSONNEL, NAVY

This appropriation covers pay, allowances, and related expenses associated with military personnel on continuous active duty. The budget is in the amount of \$2,427,000,000 and the Committee recommends \$2,417,000,000, a reduction of \$10,000,000.

The following table reflects certain statistics as to numbers of

military personnel:

	Average, 1954 (esti- mated)	Actual, Dec. 31, 1953	Fiscal year 1955 estimates		
			Begin	Average	End
OfficersEnlisted	80, 744 684, 3 42	80, 127 678, 711	79, 150 654, 800	75, 253 630, 481	74, 000 608, 000
Total	765, 086	758, 838	733, 950	705, 734	682, 000

Note.—Excludes midshipmen and aviation cadets.

These figures represent a reduction of approximately 52,000 during 1955. These reductions are made possible in part by the decision to reduce the size of the active fleet by 46 ships, and by retrenchment in various fleet support areas. Current manning levels of 80 percent for officers and 87.5 percent for enlisted, with 100 percent complement for submarines, will be maintained.

The Committee reduction consists of three items, namely, \$769,800 being an overstatement of costs arising from failure to take account of recent MSTS rate reductions; \$3,644,800 in the item for permanent change of station travel; and \$5,585,400 in the nature of a general reduction which it should be possible to absorb in an item of this size.

Reductions have been made in funds recommended for all services for permanent change of station travel. There has been far too much shifting of military personnel from one place to another with all the attendant costs of travel, household goods, dependents, etc. It has been discussed in the hearings for a number of years but, seemingly, not much improvement has been made. The Committee has decided to attempt to force some improvement by means of a budget cut which in the case of the Navy is the aforementioned sum of \$3,644,800. Further facts will be sought on the subject in the 1956 hearings.

MILITARY PERSONNEL, NAVAL RESERVE

This appropriation covers pay and allowances and related costs of Naval Reserve personnel participating in reserve training programs. The Committee has approved the estimate of \$78,100,000 which is approximately \$11.9 millions more than estimated obligations in 1954. The full amount has been granted in view of the importance of the reserves to adequate manning of the Navy in time of mobilization.

It appears that there is reasonable prospect of reaching the strength goals on which the 1955 budget is based. There were 135,400 enrolled in drill pay units as of December 31, 1953. The plan is to increase that enrollment to 147,400 by June 30, and further to 161,600 by June, 1955.

NAVY PERSONNEL, GENERAL EXPENSES

This appropriation covers numerous support activities relating to military personnel, including training, recruiting, distribution, welfare and officer candidate programs. The estimate is \$76,000,000. The Committee recommends \$74,970,000, a reduction of \$1,030,000. The latter amount consists of: (1) \$20,000 assigned to recent Government Printing Office price reductions; (2) \$450,000 representing transfer of research funds to the consolidated appropriation; (3) \$60,000 against the item for expenses of enrolling officers for postgraduate instruction

at civilian schools; and (4) a general reduction of \$500,000 to be

applied in such manner as the Department deems best.

With respect to the postgraduate study item, the budget included \$296,000 for expenses of 305 officers at a number of universities for courses in a wide variety of educational pursuits. For the past two years a limitation has been in the bill prohibiting use of funds for education of officers in law subjects. It is the feeling of the Committee that the departments have gone somewhat afield in respect to the range of courses covered and the reduction of \$60,000 is designed to force a more critical examination and screening of the various enrollments.

MARINE CORPS

MILITARY PERSONNEL

This appropriation covers pay, allowances, and associated expenses pertaining to active duty personnel. The Committee recommends \$612,180,600 against the budget estimate of \$614,000,000, a reduction of \$1,819,400. The following tabulation reflects some figures as to personnel strength:

	Average, 1954 (esti- mated)	Actual, Dec. 31, 1953	Fiscal year 1955 estimates		
			Begin	Average	End
OfficersEnlisted	18, 670 222, 869	19, 286 224, 537	18, 828 206, 193	18, 780 201, 220	18, 755 196, 250
Total	241, 539	243, 823	225, 021	220,000	215,005

These figures show a reduction during 1955 of 10,016 in "on board" strength, with a reduction of 21,539 in average strength as compared with 1954. Although the overall plan calls for a decrease of approximately 10,000 personnel during 1955, an increase of about 6,300 is projected for the Fleet Marine Force which is the combatant ele-

ment of the Corps.

The reduction of \$1,819,400 consists of three items: (1) \$476,200 overstatement of costs due to failure to reflect the latest MSTS rates; (2) an overstatement, through error in calculation, to the extent of \$769,200 in the budget item for subsistence; and (3) a reduction from \$1.08 to \$1.06, amounting to \$574,000, in the daily ration rate (ashore, US) based on current actual feeding costs of just over \$1.05; the Committee sees no reason to project an increase over current experience.

MILITARY PERSONNEL, MARINE CORPS RESERVE

This item covers pay, allowances, and related costs of Marine Corps Reserve personnel participating in reserve training programs. The sum of \$16,750,000 is recommended, a reduction of \$350,000, but some \$3,870,000 more than estimated obligations in 1954. Analysis of the figures discloses that there will probably be some slippage in regard to attaining the higher enrollment goals on which the estimate is based.

There were 24,146 in drill pay units on January 31 last. The budget assumes that that number will be 30,550 by June of this year and

42,300 by June 30, 1955. The Committee reduction is not intended to interfere with attainment of those goals.

MARINE CORPS TROOPS AND FACILITIES

The budget for this item is \$176,700,000, against which the Committee recommends \$167,994,500, a reduction of \$8,705,500. Of the latter amount, \$2,000,000 represents transfer of research funds to the consolidated appropriation for that purpose. The Committee has imposed two other reductions, one of \$5,500 against the amount for postgraduate instruction of officers discussed under the item "Navy Personnel, General Expenses", and a further sum of \$6,700,000 based on the fact that maintenance and operation costs during the current year are now estimated to be about \$20 millions less than what they were when the 1955 budget was made. It appears that a minimum of \$6,700,000 of these savings will be of a recurring character in day-to-day operations in 1955. This factor was not fully considered when the 1955 estimate was developed.

Included in the amount recommended is \$10,000,000 for a special purpose which there is perhaps better than an even chance will not have to be taken care of out of this appropriation. In view of the nature of the contingency provided for, the Committee has decided to leave the amount in the bill. It will be expected, of course, that the funds will be impounded if not required for the purposes for which

appropriated.

MARINE CORPS PROCUREMENT

This is the military "hardware" appropriation for the Marine Corps. The budget estimate for new funds is in the sum of \$143,500,000, in addition to which it was estimated that \$95,700,000 in unobligated funds would carry over from 1954, making a total of \$239,200,000 available for obligation in 1955. The Committee recommends \$129,974,000 in new funds. The reduction of \$13,526,000 is in two parts. Latest information available indicates that the unobligated carryover will be at least \$5,000,000 more than was projected, which would make that much more available for obligation in 1955. In addition, examination of a number of procurement items budgeted in 1955 discloses that unit prices used in the computations exceed current procurement prices, the aggregate of these excesses being \$8,526,000 with respect to the several items examined.

AIRCRAFT AND FACILITIES

This appropriation finances operating costs of Naval and Marine aviation, including fuel, overhaul, training, air reserves, and mainte-

nance and operating of stations and other facilities.

The Committee recommends \$775,895,500, which is \$195,204,500 below the estimate of \$971,100,000. Transfer of research funds accounts for \$177,940,000 of the reduction. Deletion of excess requirements budgeted for penalty mail and printing costs accounts for \$264,500. The major item of reduction, \$17,000,000, is based on an analysis of revised estimates of operating costs during the current year. Briefly, when the budget was in preparation, it was assumed that all currently available funds would be obligated during 1954.

The Department has recently indicated that approximately \$57 million will not be so used. A breakdown of that unobligated figure reveals approximately \$22 millions in the areas of station operations, flight operation costs, and overhaul expenses. These are areas where savings achieved on a day-to-day operating basis will project themselves into future periods. Since the savings realized were not taken into consideration when the 1955 budget was prepared, the Committee believes that a minimum of \$17,000,000 ean safely be removed from the 1955 request without curtailing planned air operations.

AIRCRAFT AND RELATED PROCUREMENT

The bill includes \$1,973,568,000, or all but \$13,432,000 of the budget estimate of \$1,987,000,000 under this head. This is one of the two items in the bill for the Navy which reflects a substantial increase over the 1954 appropriation. In this instance, the increase is occasioned in major part by the fact that while the total number of aircraft being procured in 1955 and 1954 are about the same, the 1955 program in-

cludes a much larger number of more expensive types.

The Committee reduction of \$13,432,000 represents removal of an amount equivalent to the unobligated portion of funds provided in prior years for expanding plant facilities for missile production. Testimony by Navy officials with regard to need for these funds in 1955 was replete with indications of uncertainty. The discussion in the hearings typifies another of those unpleasant instances where it is necessary to laboriously extract information from witnesses on matters pending before the Committee. Vacillation, and lack of candor, in responding to committee questions do nothing towards promoting confidence in officials who have responsibility for administering the expenditure of appropriated funds. It is unfortunate that witnesses, in response to committee interrogation, sometimes seek to come in through a side door when the front door is open.

The primary objective of the current aircraft procurement program is one of modernization rather than expansion of the authorized operating forces. Large numbers of aircraft have been funded in prior years but are yet undelivered. It is estimated that on July 1, 1954, there will be at least \$6.2 billion unexpended in this appropriation which, in combination with the \$1.97 billion recommended in the bill, will finance production at scheduled rates through December, 1956. This means that modernization, and thus combat effectiveness, will progressively increase between now and that time. The proportion of first-line planes in relation to requirements is now about 45 percent; that should increase to 57 percent by December, 1954; to 64 percent by December, 1955; and further to 87 percent by December,

1956.

The Committee was advised in the hearings that a previously funded program for conversion of medium transport planes had been canceled out because of unfavorable price circumstances. If the pending appropriation is approved, there will be a total of \$41,393,000 available as a result of that decision. It is suggested that this money not be diverted until the proposal of the Navy with respect to the use thereof has been cleared with the Committee.

It is pointed out that the number of new aircraft funded in 1954 and 1955 are considerably less than the number expected to be produced

and delivered to the Navy in those years. The backlog of undelivered planes financed in prior years is being reduced. It is pertinent to note that the number funded in 1955 is somewhat below the number estimated by the Navy to be required annually on a level basis to maintain currently authorized forces in a fully modernized condition. In other words, the appropriation in future years will have to be considerably higher than \$1.97 billion. This points up two matters of some concern to the Committee, having to do with the length of the logistic aircraft pipeline and the extent of funding of spares, and particularly spare parts, concurrently with procurement of new

aircraft to which they relate.

As to the pipeline situation, figures available to the Committee show that about 25 percent of the total active aircraft are in a non-operating status at any given time. This holds true for both first and second line planes. When it is considered that rapid technological advances and developments keep the first-line life of present day aircraft somewhat short, thus repeatedly generating new requirements for more modern replacements, it is important from a budgetary standpoint to do everything reasonably possible to reduce the number of first-line planes constantly in the non-operating pipeline. The Committee has not had an opportunity to fully explore all facets of the matter but has the feeling that this may be an area where some changes in procedure and concept might yield important savings, and intends to pursue the subject in connection with the 1956 presentation.

The matter of funding of spares and spare parts was discussed in the hearings a year ago, and has been further considered this year. This is another area in which the Committee plans to examine quite thoroughly in view of (a) the large inventory of spares and spare parts on hand or funded, (b) the rapid aircraft obsolescence factor mentioned above, and (c) the apparent differing funding methods em-

ployed as between the Air Force and the Navy.

SHIPS AND FACILITIES

This is the maintenance and operation appropriation for the active and reserve fleets and the Naval reserve fleet, including extensive

shore support facilities.

The Committee recommends \$818,681,000, a reduction of \$118,319,000 below the estimate of \$937,000,000. The research and development transfer accounts for \$66,814,000 of the reduction and another \$45,000,000 is accounted for by a special program which the Department now advises will not be carried out. In addition, \$6,500,000 has been deleted in view of committee action on the general provision relating to use of foreign currencies. The amount recommended is an increase over comparable 1954 obligations primarily because of priority requirements in the areas of electronics and mine countermeasures, and the inclusion in this budget for the first time of financing of ocean weather stations heretofore appropriated directly to the Coast Guard.

CONSTRUCTION OF SHIPS

There are two estimates in the budget under this heading, one for \$57,600,000 for repricing of the 1948-1951 shipbuilding programs and

\$11,000,000 for liquidation of obligations incurred under prior authority. The Committee has approved the \$57,600,000 item but sees no need for appropriating, at this time, the \$11,000,000 request in view of the fact that adequate funds will be available to meet estimated expenditures without it.

SHIPBUILDING AND CONVERSION

The appropriation "Shipbuilding and Conversion" embraces the fiscal year 1952–1955 programs. The sum of \$720,000,000 was appropriated in 1954. The budget for 1955 is in the amount of

\$1,042,400,000, which the Committee recommends for approval.
Of the total, \$182,571,000 is for further repricing of the 1952 program and initial repricing of the 1953 program to take account of cost increases and design changes between the original costing dates and April, 1953. Another item is \$3,537,000 for advance financing of detailed plans and specifications. The main item, \$856,292,000, is for the 1955 shipbuilding and conversion program consisting of construction of 30 ships, 1,040 landing and service craft, and conversion of 17 ships.

The amount for the new program is the 1955 installment of the post-World War II program designed to keep the fleet in a reasonably modernized condition and thus maintain and improve its fighting capabilities. A fourth carrier of the Forrestal class is included; also, a third nuclear powered submarine. A complete list of the ships and craft is shown on page 518 of the hearings.

ORDNANCE AND FACILITIES

The bill includes \$457,436,000 under this heading, which is \$168,764,000 below the estimate of \$626,200,000. As will be noted from the following, the Committee has in reality approved the full ordnance procurement, maintenance, and operation programs as proposed in the Budget.

The reduction includes \$125,033,000 transfer of research and development funds to the consolidated account. It also includes an item of \$30,000,000 volunteered by the Department after close of the hearings. A reduction of \$734,000 has been made in the amounts requested for penalty mail and printing costs based on a showing that the requests were excessive. The remaining portion of the cut, \$12,997,000, represents overfunding or overpricing of several procurement items as disclosed by analyses made by the Committee.

MEDICAL CARE

The Committee recommends \$63,600,000, which is \$6,700,000 less than the estimate of \$70,300,000. The sum of \$4,400,000 is merely transfer of the research and development funds. The remaining

\$2,300,000 is the actual reduction, explained below.

The sum of \$225,000 is attributable to overstatement of requirements for penalty mail and printing costs. The remainder, \$2,075,000, is due mainly to overstatement of patient load in hospitals in light of recent actual caseload experience. Without reciting all the details, it is pointed out that the Department now estimates an unobligated

balance of 1954 funds some \$9.6 million higher than when the budget was under preparation. Much of this is due to a lower patient load.

The Committee has noted the statement of the Secretary, appearing on page 13 of the hearings, regarding the matter of eliminating duplicate hospital facilities in the Panama Canal Zone. The Committee expects this matter to be brought to satisfactory conclusion within a reasonable period of time.

CIVIL ENGINEERING

The sum of \$103,294,000 is included for this item, a reduction of \$13,506,000 from the estimate of \$116,800,000. Of the total reduction, \$3,296,000 represents transfer of research and development funds.

The sum of \$3,100,000 included in the budget for procurement of certain large crane equipment has been deleted because it has since been determined that the cranes are obtainable without cost from the Air Force. The item for penalty mail was overstated by \$110,000 and that has been removed. The balance of the reduction, \$7,000,000, has been made on the strength of the large unobligated balance expected in the 1954 appropriation which was not foreseen when the 1955 budget was under preparation. Analysis of the factors contributing to this balance discloses that a minimum of \$7,000,000 represents operating economies in expenditure areas that should recur in future years. The tabulation on page 962 of the hearings clearly discloses the situation.

RESEARCH AND DEVELOPMENT

A total of \$419,874,900 is included in the bill under this heading for the Navy and the Marine Corps. As shown by the table below, \$413,404,900 is classified as research and development and \$6,470,000 is for somewhat related functions administered by the Office of Naval Research. Both basic and applied research funds are included. Heretofore, basic research was carried in one appropriation while applied research and development funds were included in the various appropriations of the functional bureaus and offices. In view of the special interest in this subject matter, and in order to facilitate congressional consideration of funds for research and development on an overall basis, the Committee has decided to establish a single research and development appropriation for the Navy similar to those now provided for the Army and Air Force. Appropriate deletions have been made from the various Bureau appropriations.

The language of all of the appropriations for research and development in the entire bill has been revised so as to render it identical for the three military departments. While the basic law authorizing research and development activities in the Navy is in greater detail than that of the Army and Air Force, the revised language will in no way affect the authority of any of the departments in carrying

out their authorized programs.

The following table summarizes the picture as to Navy funds for research and development:

Research and development funds, direct and indirect costs [In thousands of dollars]

Appropriation	1954 obliga- tions (est)	1955
Aircraft and facilities Ordnance and facilities Ships and facilities Research (basic) Medical care. Service-wide supply and finance. Civil engineering Navy personnel, general expenses. Marine Corps troops and facilities	187,848 131,604 63,676 50,286 4,476 700 3,346 450 2,000	177, 940 125, 033 66, 814 54, 530 4, 400 700 3, 296 450 2, 000
Subtotals (as appropriated or budgeted)	444, 386	435, 163 -21, 758
Subtotals for research Add amount budgeted under "Research, Navy" for other than strictly research purposes.	444, 386	413, 405 +6, 470
Recommended in bill		419, 875

The Committee has reduced research and development requests of all of the military services. It is believed that with proper application and regard for what is essential and what is not, the reduction of \$21,758,100 will do no harm. On the contrary, the Committee is convinced that there is further room for weeding out of projects and activities of doubtful value when viewed in light of the overall defensewide research program. There are no hard and fast rules by which to judge the minimum essential levels of support for research, and conversely, of how to judge the maximum feasible supportable levels. However, a rigid screening of projects and further critical review of items of doubtful value should enable the Department to come within the reduced total.

SERVICE-WIDE SUPPLY AND FINANCE

This appropriation includes a wide range of activities in the supply and finance fields. Substantial reductions in funds and civilian employment in activities financed under this item have been made in the past two years. The budget proposes further cuts. Accordingly, the only change recommended is to transfer the research funds, amounting to \$700,000, to the consolidated account. The remainder, \$340.300,000, is included in the bill.

SERVICE-WIDE OPERATIONS

This appropriation includes an assortment of activities, offices, and services for which the estimate is \$108,625,000. The Committee recommends \$103,625,000, a reduction of \$5,000,000. Of this sum, \$3,000,000 is for a special item which it now develops will not be needed in 1955. The remaining \$2,000,000 is a general reduction to be spread as the Department sees fit, with the exceptions noted below. Some reduction can be made in the item for printing in view of the

Some reduction can be made in the item for printing in view of the reduction in prices announced some time ago by the Government Printing Office. It is suggested that only two new Navy audit offices be opened in 1955 rather than four as proposed. This will allow the present offices and the two new ones more time in which to demonstrate concrete results. The Committee has no doubt that such offices, if their efforts are properly channeled, can do a good job but the showing before the Committee thus far has not been too impressive.

TITLE VI

DEPARTMENT OF THE AIR FORCE

SUBCOMMITTEE

ERRETT P. SCRIVNER, Kansas, Chairman

ROMAN L. HRUSKA, Nebraska

GEORGE H. MAHON, Texas:

GENERAL STATEMENT

The bill includes appropriations for the Department of the Air Force in the amount of \$10,819,310,000. In addition to the new appropriations there will be \$4,058,600,000 carried over as unobligated balances of no-year funds, making the total available for obligation in fiscal year 1955 \$14,877,910,000. This is exclusive of appropriations for acquisition and construction of real property which will be presented at a later date.

The amount recommended for appropriation is \$380,690,000, or about 3 percent, less than was requested in the budget estimates. Of this reduction about \$116,000,000 resulted from cooperative efforts of the Committee and the Department. This leaves the actual Committee reduction at about \$264,690,000 or slightly over 2 percent of the budget request.

AIR FORCE PROGRAM

The estimates as acted upon by the Committee provide for a continual buildup of Air Force strength toward the goal of 137 wings by June 30, 1957. None of the reductions made will interfere with this planned orderly growth. The phasing of this buildup in wing strength and related military manpower is as follows:

Wing strength

June 30, 1954	115	June 30,	1956	127
June 30, 1955	120	June 30,	1957	137

Military personnel

[In thousands]

June 30, 1954	955 June 30, 1956	975
June 30, 1955	970 June 30, 1957	975

In addition to the regular wing strength shown above the Air Force program calls for filling out as near as possible and maintaining Air National Guard and Air Reserve wings and flying squadrons as follows:

AIR NATIONAL GUARD AND RESERVES

Wings'squadrons

June 30, 1954:		June 30, 1956:	
Reserves	23/67	Reserves	24/81
Air National Guard	27/87	Air National Guard	27/87
June 30, 1955:		June 30, 1957:	
		Reserves	
Air National Guard	27/87	Air National Guard	27/87

To support these forces, both the regulars and the Guard and Reserves, the Air Force plans to maintain an active aircraft inventory ranging from 21,010 on June 30, 1954 to 22,927 on June 30, 1955 and 24,710 on June 30, 1957.

MANAGEMENT IMPROVEMENT

The Committee is very much impressed with progress being made by the new civilian and military team in the management of Air Force affairs. The accomplishments are best shown in the area of military

manpower.

Referring to the program tables above, the stated requirements for military manpower are far below those previously estimated by the Air Force as being necessary to attain similar combat wing strengths. These figures represent very commendable accomplishments in the management of Air Force affairs as well as the establishment of targets for future accomplishment which dollarwise amounts to hundreds of millions in pay and allowances and operating funds each year. It will be noted that the planned increase in military manpower after June 30, 1955 is comparatively small with no increase planned for the last year of buildup at which time total military personnel will still be about 2,600 fewer than the actual strength on June 30, 1953. The establishment of these objectives has presented a challenge to the entire Air Force which, it appears from all reports, is being met most admirably.

Military personnel decreased from 977,600 on June 30, 1953 to 912,500 on December 31, 1953. This decrease is somewhat startling and would certainly not normally be expected in one of the services during an actual buildup period. However, in this case, it obviously results from the period of belt tightening that was necessary to trim from the previously established manning tables the excess positions in such assignments as air police, bands, cooks and bakers, orderlies, motor vehicles pools and various others. Now the number of military personnel is again on the increase and as shown in the program tables above will rise to about 955,000 by June 30, 1954. This is about 22,600 less than were in service on the previous June 30th, but is also about 76,000 less than the number estimated as being required to attain a 115 wing Air Force under the manning tables in effect one year ago.

Even with this decrease of 22,600 military people and the elimination of 76,000 scheduled military positions from the picture, much will be accomplished during fiscal 1954. Some of the major accom-

plishments are summarized by the Air Force as follows:

 Activation of 9 combat wings: 2 medium bombers, 1 light bomber, 5 fighter, 1 tactical reconnaissance.

2. Activation of support units: Includes 10 air transport squadrons, 1 tow target squadron, 3 aircraft control and warning squadrons, 2 radio relay squadrons.

3. Increase of annual pilot training rate from 7,200 to 7,800.

4. Expansion of North American air defense network.

(a) Activation of 10 sites. (b) Reequipping of 19 sites at additional personnel cost.
5. Increase in NATO support.
6. Establishment of 20 additional operating bases.

7. Continuation of combat-ready status of forces in Korea.

AIRCRAFT AND RELATED PROCUREMENT

The appropriation for aircraft and related procurement provides for: (1) procurement of complete flyaway aircraft; (2) procurement of an initial quantity of spares and spare parts to support the completed aircraft; (3) procurement related to aircraft, including supporting industrial facilities, aircraft and related equipment required for training, aircraft ground handling equipment, and preproduction engineering; (4) modification of in-service aircraft and component equipment; (5) guided missiles, missile modification, and guided aerial targets; (6) industrial mobilization, including reserve plants and machine tools, mobilization planning and an industry preparedness program; and (7) procurement and production administration salaries and expenses.

To provide for these items the Committee has recommended \$2,760,000,000 for appropriation, which is the same amount requested in the budget estimates. In the original budget estimates there was a projected carry-over of \$1,899,183,000 of unobligated funds, which together with the new money was to buy 1167 new aircraft, spares and spare parts and the other related items discussed above. jected carry-over has since been revised by the Air Force to \$3,691,300,000 making the total available for obligation in 1955 \$6,451,300,000 instead of the \$4,659,183,000 projected in the budget estimates. The proposed application of these funds to the respective programs is as follows:

Available for obligation in fiscal year 1955

[Millions of dollars]

Budget program	Unobligated balance brought forward July 1, 1954	Fiscal year 1955 new ap- propriation	Total
(1) Aircraft—Complete. (2) Initial Aircraft Component Spares and Spare Parts. (3) Related Aircraft Procurement. (4) Modification of In-Service Aircraft and Component	\$1, 283. 3 1, 485. 0 476. 7	\$1, 996. 8 175. 9 104. 0	\$3, 280. 1 1, 660. 9 580. 7
Equipment. (5) Guided Missiles—Complete. (6) Industrial Mobilization. (7) Procurement and Production Administration.	161.0 284.2 1.1	142. 2 265. 1 15. 0 61. 0	303. 2 549. 3 16. 1 61. 0
Total	3, 691. 3	2, 760. 0	6, 451. 3

Needless to say the Committee is not particularly happy that so much apparently unnecessary money has been appropriated in the past as is indicated by the large carry-over of unobligated balances. It would be very much preferred if only those amounts that could be reasonably programmed and obligated were to be appropriated for a given year. However, it is recognized that the reprograming which has taken place over the past 12 months has made it impossible to enter into firm well-defined contracts as rapidly as might have been done had that reprograming not been necessary.

SPARES AND SPARE PARTS

Last year in connection with the appropriation for "Maintenance and Operation" the Committee expressed concern regarding the astounding investment in spares and spare parts saying in effect that a careful look should be taken into the overall spares and spare parts program to determine that there is not an enormous overstocking. The Air Force was requested to present a full explanation of spares and spare parts policies and practices as well as actual stocks on hand and on order when the fiscal year 1955 budget was presented to the Committee. On pages 222 through 253 and pages 384 through 411 of the Air Force hearings is a fairly complete discussion of the spares, and spare parts program. However, the Committee was not fully satisfied with the report given by Air Force representatives and expects that a great deal more study will be devoted to this problem.

The Committee feels certain that substantial sums could be saved in this area with a more carefully evaluated approach to the program. Standards established by the Air Force on which spares and spare parts are procured have proven in the past to be overly cautious, at least in some areas, hence the recent big cutbacks in the procurement of jet engines. Furthermore, there is some feeling that these standards may be based on outmoded concepts which do not reflect the effects of new weapons upon air warfare. There appears to be preparation in this area for massive sustained operations similar to those experienced during World War II, although the facts show that a very small number of planes can now carry more destruction than all of the planes on all of the sorties of World War II. Therefore, it is proposed that at least the reserve aspects of the spares and spare parts program be reevaluated to take into consideration present

realities.

In addition, to the above aspects of the spares and spare parts program, the Committee feels that through a carefully planned use of this program the services have a tool which should be very helpful in sustaining a healthy inbeing aircraft industry throughout any period of years that it may be necessary to maintain a posture of military strength. In other words, in-so-far-as-possible buy these spares and spare parts on an as-and-if-used basis thereby keeping support production going long after the initial aircraft is procured, rather than to buy so very much of the spares and spare parts concurrently with the aircraft as at present. The present method of budgeting for these items seems to be a holdover from the old feast and famine cycles to which the military was subjected, but which in view of modern weapons and the necessity for a sustained defense effort is never likely to be possible again. This feast and famine problem resulted in buying practices based on a get-it-while-you-can attitude which in the past was to a certain extent forced upon the military planners. However, since our present efforts are not in preparation for war that is upon us or that may come as of a particular time, but rather are in the attainment of a posture of strength that can be maintained over a long indefinite period, we can no longer afford past extravagant practices in this regard.

MAJOR PROCUREMENT OTHER THAN AIRCRAFT

This appropriation provides for the procurement of all major items of equipment other than aircraft and spare parts. The types of equipment covered are: weapons and ammunition; motor vehicles of all types and marine equipment; electronics and communications equipment not in aircraft; training equipment; and other major equipment connected with weather, photography, printing shops and food and laundry services.

COMMITTEE RECOMMENDATIONS

For these items the Committee is recommending the appropriation of \$674,364,000, which is \$60,636,000 less than the budget estimate, but which is also \$74,364,000 more than the amount appropriated for 1954. The amount recommended together with the estimated \$282,200,000 carryover from 1954 and prior years funds will provide a total available for obligation in 1955 of \$956,564,000. The proposed application of these funds to the respective types of equipment and major areas of procurement rounded to the nearest hundred thousand is as follows:

Available for obligation in fiscal year 1955 [In millions]

Budget program	Unohligated halance brought forward, July 1, 1954	Fiscal year 1955, new appropriation	Total
Weapons and Ammunition Ground Powered and Marine Equipment Electronics and Communications Equipment. Training Equipment Other Major Equipment. Classified Project	\$107. 0 20. 9 106. 1 6. 0 41. 6 . 6	\$246. 4 -4. 3 305. 0 33. 4 70. 0 23. 9	\$353. 4 16. 6 411. 1 39. 4 111. 6 24. 5
Total	282. 2	674.4	956. 6

To fully appreciate the relationship of this appropriation to the current Air Force program it is necessary to look at the funds available for expenditure in proportion to the amounts currently being spent. In other words, to look at the long lead time involved in most of this procurement. Expenditures for fiscal year 1954 are estimated to be \$726,000,000 as compared with the \$3,631,600,000 available for expenditure during the year. This will leave an unexpended balance at the end of fiscal year 1954 of \$2,905,600,000 which together with the new money recommended for appropriation for fiscal 1955 will provide \$3,579,964,000 for expenditure in that and succeeding fiscal years. Expenditure rates and consequently delivery rates are going up as shown by the \$1,075,000,000 it is estimated will be spent in Nevertheless, without any new purchases in fiscal 1955, fiscal 1955. the Air Force would continue to receive substantial quantities of the types of equipment being procured for a period of several years.

The reductions made by the Committee have been applied in two areas. The first is a small decrease of \$3,600,000 in the amount for weapons and ammunition based upon an error in the air-to-ground

rocket requirements computation. The second in the amount of \$57,036,000 is for ground powered and marine equipment. This will leave \$16,564,000 of the amount budgeted for this program, including the carryover of prior years funds. While this may appear to be a somewhat drastic reduction, the fact of the matter is that the Committee considered even deeper cuts for these items, but it was decided that some funds may need to be obligated in fiscal 1955 for a few possibly critical items. A detailed statement giving the itemized basis for each reduction would be too voluminous for this report. However, the basis for the Committee's action can be stated in a fairly brief manner.

As a part of the re-appraisal in Air Force management, equipment utilization review boards have been set up in the various command headquarters for review of equipment requirements and for policing the actual utilization of equipment on hand. These boards have apparently proven very effective in that startling numbers of equipment items have been returned from air bases as excess to needs. Because of the long budget cycle, this action could not be reflected in the present budget estimates. In many of the items of equipment, as stated in the budget justification, it was planned to buy up to or very near up to 100 percent of the maximum computed requirements for the presently planned strength of the Air Force. In view of the nature of this type of equipment, much of which is very similar to commercial equipment and therefore should not require such a long lead time; and in view of the small numbers of many of the items which to date have actually been assigned to Air Force commands, it appears to the Committee that the Air Force is getting way ahead of actual needs in this type of procurement.

The Committee is dissatisfied with the information presented as justification for such equipment requests. When the statements made regarding requirements and assets or inventory for one year are compared with those made in a previous year, the variations are so great in many instances that the validity of the justifications must be questioned. In connection with subsequent requests, the Committee will expect such requests to be supported with up-to-date inventory data, including disposition information such as: assigned to commands, in

storage, and held in reserve.

RESEARCH AND DEVELOPMENT

The amount of \$409,450,000 recommended for this appropriation is \$21,550,000 below the budget request. This is a reduction of 5 percent based on the fact that the program is leveling out, and with the estimated carry-over into fiscal 1955 of \$85,100,000 in unobligated funds the Air Force will have available for obligation in 1955 \$494,550,000. The reduction made should not affect the level of

basic essential research and development work.

The level of effort in this field is better expressed in terms of expenditures than it is by obligations since the obligations are usually incurred substantially ahead of the major work accomplishment. This has been so much the case in the past that obligations for continuing programs have been piled one upon another with the result that the commitments for overall research and development work extended far beyond a reasonable period. As stated above, the Air

Force estimates that there will be \$85,100,000, of the funds presently available, unobligated as of the beginning of fiscal year 1955. In addition, there will be about \$428,800,000 of unliquidated obligations on the books making a total of unspent funds of \$513,900,000. When the recommended appropriation of \$409,450,000 is added, the total available for expenditure in fiscal 1955 and subsequent years becomes \$923,350,000, of which about \$493,350,000 will still be unspent at the end of the year.

MAINTENANCE AND OPERATIONS

The appropriation provides for general administration and the maintenance and operation of the physical plant, planes, and equipment of the Air Force. The primary programs covered are: (1) Operation of aircraft; including the procurement of aircraft maintenance spares, spare parts and supplies, aircraft fuel and oil and the corrective maintenance of aircraft and component equipment; (2) base maintenance equipment and supplies; (3) logistical support, including depot maintenance and operation, and major repairs and minor construction; (4) training support, including direct expenses for training programs, procurement of training equipment and supplies, maintenance and operation of facilities in support of training programs, and major repairs and minor construction at training support installations; (5) operational support, including the maintenance and operation of bases in support of combat forces, and the major repairs and minor construction at such bases; (6) research and test support, including the maintenance and operation of installation for support of research and development programs, and the major repairs and minor construction at such installations; (7) medical support, including medical procurement and supply, medical training and education, maintenance and operation of medical treatment facilities, and major repairs and minor construction at such facilities; (8) service wide support, including expenses of Air Force Headquarters, Air Attache Offices, Air Mission Offices and Inter-American relations, and the Advisory Group for Aeronautical Research and Development.

COMMITTEE RECOMMENDATION

As can be seen from the preceding description, this appropriation except for military pay and allowances, is the basic salaries and expenses or housekeeping account for the entire Air Force. To provide for these expenses the Committee is recommending an appropriation of \$3,402,792,000 which is \$252,208,000 less than the budget estimates. The reductions made by the Committee are explained in detail below but, except for the item relating to the utilization of foreign credits, to a very large extent they result from the same general observations.

Under the so-called program and performance type budget, as developed in the Air Force, estimated requirements are based on cost factors and formulae which, for the most part are far too complex to be fully evaluated by the Committee during a review of the budget estimates. However, in so far as it could be done an attempt was made to get at the basic facts in connection with the hearings on spare parts, fuel and oil, and aircraft overhauls. The results were not very

satisfactory. Substantial increases over 1954 requirements could not be explained except by the statement that the estimates were the result of applying the factors and formulae to the projected flying hour program. In one area the requested increase was about 60 percent whereas the projected flying hour program, on which the estimate was based, was increased about 14 percent. It is recognized that the newer planes are more costly to operate, particularly jet planes. Nevertheless, it seems evident to the Committee that the budget makers, as in the case of major procurement other than aircraft, had not caught up with the new approach in managing the Air Force. other words, the cost factors and formulae used do not appear to reflect the new drive for efficiency and economy in Air Force opera-

The overall average flying hours per aircraft per month has been estimated to increase in fiscal 1955 over 1954 by about 10 percent. However, the so-called "housekeeping" or administrative and special mission flying (exclusive of Military Air Transport Service) is expected to increase about 40 percent per aircraft per month. The Committee certainly wants to provide the funds essential for flying training and the maintenance of combat readiness. However, it is difficult to understand why much of the proposed increase in flying is necessary and why the cost increase is so disproportionate. Perhaps the answer lies in applying the question "Is this trip necessary?" a little more literally.

Specific changes made by the Committee in the various budget

programs were as follows:

Operation of aircraft.—A reduction of \$85,000,000 was made in this program applied to the procurement of spares and spare parts in the amount of \$50,000,000, and to the purchase of fuel and oil in the amount of \$35,000,000. The requested increase for spares was over 60 percent more than estimated obligations for fiscal 1954. requested increase for fuel and oil was also over 34 percent more than the latest projected obligations for 1954. The overall amount for the operation of aircraft after this reduction will still be over 30 percent greater than the amount it is estimated will be obligated for fiscal 1954. Under the reported increased efficiency and costs controls now in operation, this should be fully adequate.

Organization, base and maintenance equipment and supplies.—A reduction of \$15,000,000 was made in this program, applied to proposed procurement of vehicle supplies, marine supplies, and tires and tubes, on the basis that inventories of these items are already excessive.

Logistical support.—A reduction of \$65,502,000 was made in this program applied to estimated requirements for depot maintenance of aircraft in the amount of \$65,000,000, and to a project for unforeseeable major repairs and minor construction in the amount of The amount requested for depot maintenance would have \$502,000. provided \$68.44 for each flying hour of each aircraft as compared with \$54.46 actual cost per flying hour per aircraft in fiscal 1953. The reduced amount will still provide \$61.67 per flying hour or an increase of 13 percent over actual cost for 1953. Allowing for the reduction in 1955, the comparative amounts for each aircraft, in the active inventory as of the end of fiscal years 1953, 1954 and 1955, would be \$26,105, \$28,569 and \$29,375 for each of those three years respectively. Here is a most evident example of how the budget makers and the new management approach are not in accord. On the one hand the people supporting this item maintained that costs were going up, while on the other hand management reports that a new system known as IRAN or Inspect and Repair As Necessary has been adopted which has reduced such maintenance costs substantially. The Committee is certain that this does not result from any intent to misrepresent. Rather, it is just that the budget estimates were prepared in advance of adoption of the new repair policy.

Funds have been eliminated for all unforeseeable major repairs and minor construction projects on the basis that none of the so-called projects were justified on a specific item basis and therefore the projects were nothing more than an added contingency in each case.

Training support.—A reduction of \$567,000 was made in this program and applied by eliminating the \$327,000 requested for an unfore-seeable project for major repairs and minor construction, and by taking \$240,000 from the amount requested for the payment of tuition for officers at civilian schools.

Operational support.—A reduction of \$3,115,000 was made in this program as a result of the elimination of a project for unforeseeable

major repairs and minor construction.

Research and test support.—A reduction of \$2,299,000 was made in this program for the purpose of keeping operating costs at about the 1954 level and to eliminate a \$299,000 project for unforeseeable major repairs and minor construction.

Service-wide support.—A reduction of \$3,000,000 was made in this program to keep the estimated costs more nearly in line with increased

growth of the Air Force.

Unapplied to specific programs.—A reduction of \$77,725,000 unapplied to any specific program was made as a result of language in the bill permitting the utilization of foreign credits.

MILITARY PERSONNEL

This appropriation provides for the pay and allowance of military personnel on extended active duty; travel and movement of household goods for permanent changes of station; subsistence of enlisted personnel and aviation cadets; and a number of other allowances and activities pertaining to regular military personnel of the Air Force.

COMMITTEE RECOMMENDATION

The amount of \$3,356,704,000 recommended for appropriation by the Committee is \$43,296,000 less than the amount requested by the Air Force. The major portion of this reduction or \$33,296,000 was volunteered from funds estimated as being required for subsistence and as a result of the recommended language change pertaining to the use of foreign credits. The remaining \$10,000,000 is a Committee reduction, in the funds for movements of individuals and household effects in connection with permanent changes in station. The Air Force has concurred in \$2,144,100 of this reduction which results from a decrease in rates to be charged by the Military Sea Transport Service for the movement of individuals. The Air Force also agrees in the wisdom, both from the standpoint of efficiency and economy and the morale of service personnel and their families, of extending wherever possible the length of stay in a given location. It was on the basis that expected policy changes will result in a lengthened average tour of duty assignment that the additional \$7,855,900 reduc-

tion was effected. Even with this reduction the Air Force will still have about \$8,000,000 more in fiscal 1955 than it is now expected will be used during fiscal 1954.

For ready reference there is included a statement on actual and

proposed military strength of the Air Force.

Military personnel strength [In thousands]

Type	June 30	Dec. 31	Average	Fiscal	year 1955 esti	imates
1 y pe	1953	1953	fiscal year 1954	Beginning	Average	Ending
Officers Officers in flying training Enlisted Aviation cadets	128. 3 2. 5 837. 7 9. 1	119. 7 3. 7 780. 7 8. 4	124. 0 3. 2 812. 6 9. 4	131. 0 3. 6 810. 8 9. 6	132. 7 6. 1 813. 5 7. 7	134, 4 7, 2 822, 9 5, 5
Total	977. 6	912. 5	949. 2	955. 0	960. 0	970. 0

As previously pointed out, the indicated savings in military manpower effected by the Air Force is quite remarkable. The management steps taken to make this possible are too numerous to be adequately covered in this report. However, for persons with sufficient interest in this matter a rather detailed explanation will be found beginning on page 98 of the hearings.

RESERVE PERSONNEL

This appropriation provides for pay and allowances, travel, subsistence and clothing requirements incident to training and instruction of Air Force Reserve personnel and Air Reserve Officers Training Corps students. For these activities the Committee recommends \$28,000,000 which is the amount of the Air Force budget request. This amount is about \$3,000,000 more than it is estimated will be obligated during fiscal 1954, and will provide for the anticipated growth in Air Reserve activities.

AIR NATIONAL GUARD

The appropriation for the Air National Guard covers all phases of the Guard expenses, including construction and rehabilitation of facilities, except the procurement of aircraft. To provide for such expenses the Committee is recommending the appropriation of \$160,000,000, which is the same amount as the Air Force budget estimates. This is an increase of \$12,900,000 over the appropriation for fiscal 1954, and will provide about \$20,000,000 more than the estimated obligations for that year.

The increase will permit the continued buildup and modernization of the Air National Guard units. The Guard is to be equipped with modern jet aircraft and given increasing responsibilities in the air defense of the United States. According to the mission assigned, the Guard is to be a ready reserve component of the Air Force capable of rapid expansion to war strength, able to furnish units fit for immediate service anywhere in the world, and ready to join with the Regular Air Force in providing an M-day force capable of conducting air defense, air offense, and joint action with surface forces.

Contingencies

This appropriation provides for emergency and extraordinary expenses not otherwise provided for and which may be incurred upon authorization of the Secretary of the Air Force and accounted for solely on his certificate. The Committee recommends the appropriation of \$28,000,000 which is \$3,000,000 less than the amount requested by the Air Force. The reduction pertains to a confidential matter and was volunteered by the Department.

LIMITATIONS AND LEGISLATIVE PROVISIONS

The following limitations and legislative provisions not heretofore carried in connection with any appropriation bill are recommended:

On page 9, line 12:

* * * of which \$1,000,000 shall be available for the construction of buildings and facilities other than armories without regard to the 75 per centum restriction on contributions contained in section 4 (d) of the Act of September 11, 1950.

On page 12, line 13:

PROCUREMENT AND PRODUCTION

The sum of \$500,000,000 of funds heretofore appropriated under this head is hereby rescinded, such sum to be covered into the Treasury immediately upon approval of this Act.

On page 12, line 19:

The amount available in the Army Stock Fund is hereby reduced by \$300,000,000, such sum to be covered into the Treasury immediately upon approval of this Act.

On page 23, line 3:

The amount available in the Navy Stock Fund is hereby reduced by \$200,000,000, such sum to be covered into the Treasury immediately upon approval of this Act.

On page 23, line 7:

The amount available in the Marine Corps Stock Fund is hereby reduced by \$25,000,000, such sum to be covered into the Treasury immediately upon approval of this Act.

On page 30, line 3:

The amount available in the Air Force Stock Fund is hereby reduced by \$25,000,000, such sum to be covered into the Treasury immediately upon approval of this Act.

On page 43, line 8:

Provided, That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of graded civilian personnel for an equivalent or greater number of military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such funds as may be required to accomplish the substitution may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with compensation of such graded civilian personnel.

On page 46, line 13:

Provided, That within thirty days after the end of each quarter the Secretary of Defense shall render to the Committees on Appropriations of the Senate and the House of Representatives and to the Bureau of the Budget a full report of such property, supplies, and commodities received during such quarter.

On page 47, line 7:

Sec. 730. No appropriation contained in this Act shall be available for the payment of more than 75 per centum of charges of educational institutions for tuition or expenses for off-duty training of military personnel, nor for the payment of any part of tuition or expenses for such training for commissioned personnel who do not agree to remain on active duty for two years after completion of such training.

On page 47, line 14:

Sec. 731. No part of the funds appropriated herein shall be expended for the support of any student in basic courses of the senior division, Reserve Officers Training Corps, who has not executed a certificate of loyalty in such form as shall be prescribed by the Secretary of Defense.

COMPLIANCE WITH RULE XIII—CLAUSE 3

The following is submitted in compliance with clause 3 of rule XIII:

EXISTING LAW

IN PENDING BILL

Sec. 732. Section 4 of the Act of June 29, 1948 (62 Stat. 1094), is amended by striking the words "in April".

That part of the fourth paragraph of the Act of June 29, 1948 (62 Stat. 1094; 10 U. S. C. 1058; 34 U. S. C. 1086) which reads as follows:

Each Board shall visit the respective Academy for which it is appointed once annually in April,

SPECIAL AND INDEFINITE APPROPRIATIONS

				Bill compared with	and with
74	:	Budget estimates	Recommended in hill	DIM COMPA	min
1197	Appropriations, 1954	1955	1955	Appropriations, 1954	Budget estimates, 1955
DEPARTMENT OF THE ARMY		•			
Secretary of the Army: Preparation for sale or salvage of military property	\$10,000,000	\$25, 000, 000		-\$10, 000, 000	-\$25,000,000
DEPARTMENT OF THE NAVY					•
Preparation for sale or salvage of military property.	6, 000, 000	6, 000, 000		-6, 000, 000	-6, 000, 000
Ships' stores profits	6, 000, 000	6, 000, 000	\$6,000,000		
DEPARTMENT OF THE AIR FORCE					
Preparation for sale or salvage of military property.	6, 000, 000	6, 000, 000		-6, 000, 000	-6, 000, 000
DEPARTMENT OF DEFENSE					
Preparation for sale or salvage of military property			40, 000, 000	+40,000,000	+40,000,000
Total, special accounts	28, 000, 000	43, 000, 000	46, 000, 000	+18,000,000	+3,000,000

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1954 AND ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1955

TITLE I

		:			Bill compared with—
Item	Appropriations, 1954	Budget estimates, 1955	Budgee estimates, Kecommended in Dill, 1955	Appropriations, 1954	Budget estimates, 1955
NATIONAL SECURITY TRAINING COMMISSION					
Salaries and expenses	\$55,000	\$55,000	\$55,000		
Total, title I	55,000	55, 000	55, 000		

DEPARTMENT OF DEFENSE

TITLE II—OFFICE OF THE SECRETARY OF DEFENSE

an iii	THE PROPERTY OF THE PROPERTY O	THE PROPERTY.	TO THE THE PERSON		
Salaries and expenses	\$12, 800, 000	\$12, 500, 000	\$12,000,000	-\$800,000	-\$500,000
Office of Public Information	450, 000	1,000,000	500, 000	+50,000	- 500, 000
Total, title II—Office of Secretary of Defense.	13, 250, 000	13, 500, 000	12, 500, 000	-750, 000	-1, 000, 000

TITLE III—INTERSERVICE ACTIVITIES

Claims	\$6,000,000	\$7, 680, 000	\$7, 680, 000	+\$1,680,000	
Construction of Ships, MSTS		50, 000, 000	50, 000, 000	+50,000,000	
Contingencies	75, 000, 000	50, 000, 000	40, 000, 000	-35,000,000	-\$10,000,000
Emergency fund	60, 000, 000	35, 000, 000	25, 000, 000	-35,000,000	-10, 000, 000
Reserve tools and facilities	250, 000, 000			-250,000,000	
Retired pay	1 365, 000, 000	404, 500, 000	404, 500, 000	+39, 500, 000	
Court of Military Appeals	300, 000	320,000	320, 000	+20,000	
Total, title III—Interservice activities———————————————————————————————————	756, 300, 000	547, 500, 000	527, 500, 000	-228, 800, 000	20, 000, 000

¹ In addition, transfer authority of not to exceed \$10,000,000.

Comparative statement of appropriations for 1954 and estimates and amounts recommended in the bill for 1955—Continued

TITLE IV-DEPARTMENT OF THE ARMY

		7	The state of the s	Bill compared with-	red with—
Title	Appropriations, 1954	Budget estimates, 1955	Keeommended in Oll, 1955	Appropriations, 1954	Budget estimates, 1955
Military personnel	\$4, 708, 859, 000	\$4, 211, 300, 000	\$4, 150, 479, 000	-\$558, 380, 000	-\$60, 821, 000
Maintenance and operations	4, 343, 000, 000	3, 316, 600, 000	2, 792, 179, 000	2, 792, 179, 000 -1, 550, 821, 000	-524, 421, 000
Procurement and production	3, 224, 633, 000		(2)	-3, 224, 633, 000	
Military construction, Army Reserve Forces.	9, 094, 000	15, 000, 000	15, 000, 000	+5, 906, 000	
Reserve personnel requirements	85, 500, 000	90, 000, 000	90, 000, 000	+4, 500, 000	
Army National Guard	210, 035, 000	218, 530, 000	218, 530, 000	+8, 495, 000	
Research and development	345, 000, 000	355, 000, 000	345, 000, 000		-10,000,000
National Board for Promotion of Rifle Practice, Army	100, 000	100, 000	100, 000		
Alaska Communication System: Operation and maintenance	11, 185, 000	4, 470, 000	4, 235, 000	-6, 950, 000	-235, 000
Total, title IV—Department of the Army	3 12, 937, 406, 000	8, 211, 000, 000	7, 615, 523, 000	7, 615, 523, 000 $\left -5, 321, 883, 000 \right $	-595, 477, 000

TITLE V-DEPARTMENT OF THE NAVY

Military personnel, Navy	\$2, 541, 000, 000	\$2, 427, 000, 000	\$2, 417, 000, 000	-\$124,000,000	-\$10,000,000
Military personnel, Naval Reserve	4 63, 300, 000	78, 100, 000	78, 100, 000	+14, 800, 000	
Navy personnel, general expenses	83, 000, 000	76, 000, 000	74, 970, 000	-8, 030, 000	-1,030,000
Military personnel, Marine Corps	738, 000, 000	614, 000, 000	612, 180, 600	-125, 819, 400	-1,819,400
Military personnel, Marine Corps Reserve.	13, 800, 000	17, 100, 000	16, 750, 000	+2, 950, 000	-350,000
Marine Corps troops and facilities	195, 000, 000	176, 700, 000	167, 994, 500	-27, 005, 500	-8, 705, 500
Marine Corps procurement	5 151, 127, 000	143, 500, 000	129, 974, 000	-21, 153, 000	-13, 526, 000
Aircraft and facilities	943, 000, 000	971, 100, 000	775, 895, 500	-167, 104, 500	-195, 204, 500
Aircraft and related procurement	1, 379, 000, 000	1, 987, 000, 000	1, 973, 568, 000	+594, 568, 000	-13,432,000
Ships and facilities	896, 400, 000	937, 000, 000	818, 681, 000	-77, 719, 000	-118, 319, 000
Construction of ships (1948-51 programs)	56, 700, 000	57, 600, 000	57, 600, 000	+ 900, 000	
Liquidation of contract authorization	70, 454, 000	11, 000, 000		-70, 454, 000	-11, 000, 000
Shipbuilding and conversion (1952-1955 programs)	720, 000, 000	1, 042, 400, 000	1, 042, 400, 000	+322, 400, 000	
Ordnance and facilities	804, 000, 000	626, 200, 000	457, 436, 000	-346, 564, 000	-168, 764, 000
				•	

² Rescission of \$500,000,000.

³ Excludes \$58,000,000 for civilian relief in Korea.

⁴ In addition, transfer of not to exceed \$2,893,000 from another appropriation.

⁵ In addition, certain unexpended balances from prior appropriations.

Comparative statement of appropriations for 1954 and estimates and amounts recommended in the bill for 1955—Con.

TITLE V-DEPARTMENT OF THE NAVY-Continued

Bill compared with-	Appropriations, 1954 Budget estimates,	+\$24,000,000	-19,829,000 $-$6,700,000$	-11, 706, 000 $-13, 506, 000$	-15, 000, 000	+361, 274, 900 +358, 874, 900	-42, 200, 000 $-700, 000$	-375,000 $-5,000,000$	+3, 575, 000	+267, 508, 500 -209, 181, 500
	Recommended in bill, 1955	\$34,000,000	63, 600, 000	103, 294, 000	15, 000, 000	419, 874, 900	340, 300, 000	103, 625, 000	3, 575, 000	9, 705, 818, 500
	Budget estimates, 1955	\$34,000,000	70, 300, 000	116, 800, 000	15, 000, 000	61, 000, 000	341, 000, 000	108, 625, 000	3, 575, 000	9, 915, 000, 000
	Appropriations, 1954	\$10,000,000	83, 429, 000	115, 000, 000	30, 000, 000	58, 600, 000	382, 500, 000	104, 000, 000	(2, 400, 000)	9, 438, 310, 000
	Title	Ordnance for new construction (liquidation of contract authorization)	Medical care	Civil engineering	Military construction, Naval Reserve Forces	Research and development	Service-wide supply and finance	Service-wide operations	Naval petroleum reserves (transfer authority in 1954)	Total, title V—Department of the Navy

LILE VI-DEPARTMENT OF THE AIR FORCE

Aircraft and related procurement.	\$3, 495, 000, 000	\$2, 760, 000, 000	\$2, 760, 000, 000	-\$735, 000, 000	
Major procurement other than aircraft	600, 000, 000	735, 000, 000	674, 364, 000	+74, 364, 000	-\$60, 636, 000
Research and development	440, 000, 000	431, 000, 000	409, 450, 000	-30, 550, 000	-21,550,000
Maintenance and operations	3, 155, 000, 000	3, 655, 000, 000	3, 402, 792, 000	+247, 792, 000	-252, 208, 000
Military personnel	3, 285, 000, 000	3, 400, 000, 000	3, 356, 704, 000	+71, 704, 000	-43, 296, 000
Reserve personnel	14, 900, 000	28, 000, 000	28, 000, 000	+13, 100, 000	
Air National Guard	147, 100, 000	160, 000, 000	160, 000, 000	+12, 900, 000	
Contingencies	31, 000, 000	31, 000, 000	28, 000, 000	-3, 000, 000	-3,000,000
Total, title VI—Department of the Air Force	11, 168, 000, 000	11, 200, 000, 000 10, 819, 310, 000	10, 819, 310, 000	-348, 690, 000	-380, 690, 000
Total appropriations, titles I, II, III, IV, V, VI	34, 313, 321, 000	34, 313, 321, 000 29, 887, 055, 000 28, 680, 706, 500 -5, 632, 614, 500	28, 680, 706, 500	-5, 632, 614, 500	-1, 206, 348, 500

Norm.—In addition to the above reduction, the following rescissions are made:
Procurement and production, Army, \$500,000,000.
Stock funds, \$550,000,000, as follows: Army, \$300,000,000; Navy, \$200,000,000; Marine Corps, \$25,000,000; Air Foree,\$25,000,000.



Union Calendar No. 559

83D CONGRESS 2D SESSION

H. R. 8873

[Report No. 1545]

IN THE HOUSE OF REPRESENTATIVES

APRIL 26, 1954

Mr. Wigglesworth, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the fiscal
- 5 year ending June 30, 1955, for military functions adminis-
- 6 tered by the Department of Defense, and for other purposes,
- 7 namely:

1	TITLE I
2	NATIONAL SECURITY TRAINING COMMISSION
3	Salaries and expenses: For necessary expenses of the
4	National Security Training Commission, including services as
5	authorized by section 15 of the Act of August 2, 1946 (5
6	U. S. C. 55a), at rates for individuals not in excess of \$50
7	per diem and contracts with temporary or part-time em-
8	ployees may be renewed annually; and expenses of attend-
9	ance at meetings concerned with the purposes of this appro-
10	priation; \$55,000.
11	DEPARTMENT OF DEFENSE
12	TITLE II
13	Office of the Secretary of Defense
14	SALARIES AND EXPENSES
15	For expenses necessary for the Office of the Secretary of
16	Defense, including hire of passenger motor vehicles; and not
17	to exceed \$60,000 for emergency and extraordinary expenses,
18.	to be expended under the direction of the Secretary of
19	Defense for such purposes as he deems proper, and his deter-
20	mination thereon shall be final and conclusive; \$12,000,000.
21	OFFICE OF PUBLIC INFORMATION
22	For salaries and expenses necessary for the Office of
23	Public Information, \$500,000.

1 TITLE III

INTERSERVICE ACTIVITIES

3 CLAIMS

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4 For payment of claims by the Office of the Secretary of Defense, the Army (except as provided in appropriations 5 for civil functions administered by the Department of the 6 Army), Navy, Marine Corps, and Air Force, as author-7 ized by law; claims (not to exceed \$1,000 in any one case) 8 9 for damages to or loss of private property incident to the 10 operation of Army and Air National Guard camps of instruc-11 tion, either during the stay of units of said organizations at 12 such camps or while en route thereto or therefrom; claims, as authorized by law, for damage to property of railroads 13 14 under training contracts; and repayment of amounts deter-15 mined by the Secretary of the Army, the Secretary of the 16 Navy, or the Secretary of the Air Force, or officers desig-17 nated by them, to have been erroneously collected from mil-18 itary and civilian personnel of the Departments of the Army, 19 Navy, and Air Force or from States, Territories, or the 20 District of Columbia, or members of National Guard units 21 thereof; \$7,680,000.

1	CONSTRUCTION OF SHIPS, MILITARY SEA
2	Transportation Service
3	For expenses necessary for the construction, acquisition,
4	or conversion of vessels, including armament therefor, for
5	the Military Sea Transportation Service; designs for such
6	vessels to be constructed or converted in the future; and
7	plant equipment, appliances, and machine tools, and instal-
8	lation thereof in public or private plants; \$50,000,000,
9	to remain available until expended and to be allocated to the
10	Secretary of the Navy.
11	Contingencies
12	For emergencies and extraordinary expenses arising in
13	the Department of Defense, to be expended on the approval
14	or authority of the Secretary of Defense and such expenses
15	may be accounted for solely on his certificate that the ex-
16	penditures were necessary for confidential military purposes,
17	\$40,000,000: Provided, That a report of disbursements
18	under this item of appropriation shall be made quarterly to
19	the Appropriations Committees of the Congress.
20	EMERGENCY FUND
21	For transfer by the Secretary of Defense, with the
22	approval of the Bureau of the Budget, to any appropriation
23	for military functions under the Department of Defense
24	available for research and development, to be merged with

and to be available for the same purposes, and for the same

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1	time period, as the appropriation to which transferred,
2	\$25,000,000.
3	RETIRED PAY
4	For retired pay and retirement pay, as authorized by
5	law, of military personnel on the retired lists of the Army,
6	Navy, Marine Corps, and the Air Force, including the
7	reserve components thereof; retainer pay for personnel
8	of the inactive Fleet Reserve, and payments under the
9	Uniformed Services Contingency Option Act of 1953;
10	\$404,500,000.
11	COURT OF MILITARY APPEALS
12	For salaries and expenses necessary for the Court of
13	Military Appeals, \$320,000.
14	TITLE IV
15	DEPARTMENT OF THE ARMY
16	MILITARY PERSONNEL
17	For pay, allowances, individual clothing, interest on
18	deposits, and permanent change of station travel, for mem-
19	bers of the Army on active duty (except those undergoing
20	reserve training); expenses incident to movement of troop
21	detachments, including rental of camp sites and procurement
22	of utility and other services; expenses of apprehension and
23	delivery of deserters, prisoners, and soldiers absent without

25 any one case), and costs of confinement of military prisoners

leave, including payment of rewards (not to exceed \$25 in

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in nonmilitary facilities; donations of not to exceed \$25 to 1 each prisoner upon each release from confinement in an 2 Army prison (other than a disciplinary barracks) and to 3 each person discharged for fraudulent enlistment; authorized 4 issues of articles to prisoners, other than those in disciplinary 5 barracks; subsistence of enlisted personnel, selective service 6 7 registrants called for induction and applicants for enlistment 8 while held under observation, and prisoners (except those at disciplinary barracks), or reimbursement therefor while such 9 10 personnel are sick in hospitals; and subsistence of super-11 numeraries necessitated by emergent military circumstances; 12 \$4,150,479,000: Provided, That section 212 of the Act 13 of June 30, 1932 (5 U.S. C. 59a), shall not apply 14 to retired military personnel on duty at the United States 15 Soldiers' Home: Provided further, That the duties of the 16 librarian at the United States Military Academy may be 17 performed by a retired officer detailed on active duty.

MAINTENANCE AND OPERATIONS

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For expenses, not otherwise provided for, necessary for the maintenance and operation of the Army, including administration and rentals at the seat of government; medical and dental care of personnel entitled thereto by law or regulation (including charges of private facilities for care of military personnel on duty or leave, except elective private treatment), and other measures necessary to protect the health

of the Army; disposition of remains, including those of all 1 Army personnel who die while on active duty; chaplains' 2 activities; awards and medals; welfare and recreation; in-3 formation and educational services for the Armed Forces; 4 recruiting expenses; subsistence of prisoners at disciplinary 5 barracks, and of civilian employees as authorized by law; 6 expenses of apprehension and delivery of prisoners escaped 7 from disciplinary barracks, including payment of rewards not 8 9 exceeding \$25 in any one case, and expenses of confinement 10 of such prisoners in nonmilitary facilities; donations of not 11 to exceed \$25 to each prisoner upon each release from con-12 finement in a disciplinary barracks; military courts, boards, and commissions; authorized issues of articles for use of 13 14 applicants for enlistment and persons in military custody; 15 civilian clothing, not to exceed \$30 in cost, to be issued each person upon each release from confinement in an Army 16 17 prison and to each soldier discharged otherwise than honorably, or sentenced by a civil court to confinement in a civil 18 19 prison, or interned or discharged as an alien enemy; trans-20 portation services; communications services, including con-21 struction of communication systems; maps and similar data 22 for military purposes; military surveys and engineering planning; alteration, extension, and repair of structures and prop-23 24 erty; acquisition of lands (not exceeding \$5,000 for any one 25 parcel), easements, rights-of-way, and similar interests in

land, and, in administering the provisions of 43 U.S. C. 315q, 1 2 rentals may be paid in advance; utility services for buildings erected at private cost, as authorized by law (10 U.S.C. 3 1346), and buildings on military reservations authorized by Army regulations to be used for a similar purpose; purchase of ambulances; hire of passenger motor vehicles; tuition and fees incident to training of military personnel at 7 civilian institutions; field exercises and maneuvers, including payments in advance for rentals or options to rent land; ex-10 penses for the Reserve Officers' Training Corps and other units at educational institutions, as authorized by law; ex-11 change fees, and losses in the accounts of disbursing officers 1213 or agents in accordance with law; expenses of inter-14 American cooperation, as authorized for the Navy by law 15 (5 U. S. C. 421f) for Latin-American cooperation; not 16 to exceed \$4,396,400 for emergencies and extraordinary 17 expenses, to be expended on the approval or authority of the 18 Secretary of the Army, and payments may be made on his 19 certificate of necessity for confidential military purposes, and 20 his determination shall be final and conclusive upon the 21 accounting officers of the Government; \$2,792,179,000.

.1.	MILLIANT CONSTRUCTION, ARMI RESERVE PORCES
2	For construction, acquisition, expansion, rehabilitation
3	and conversion of facilities for the training and administra-
4	tion of the reserve components, including contributions there-
5	for, as authorized by the Act of September 11, 1950 (64
6	Stat. 829), without regard to sections 1136 and 3734,
°7	Revised Statutes, as amended, and land and interests therein
8	may be acquired and construction prosecuted thereon prior
9	to the approval of title by the Attorney General as required
10	by section 355 of the Revised Statutes, as amended; and
11	hire of passenger motor vehicles; \$15,000,000, to remain
12	available until expended, of which \$1,000,000 shall be
13	available for the construction of buildings and facilities other
14	than armories without regard to the 75 per centum restriction
15	on contributions contained in section 4 (d) of the Act of
16	September 11, 1950.
17	RESERVE PERSONNEL REQUIREMENTS
18	For pay, allowances, clothing, subsistence, transporta-
19	tion, travel and related expenses, as authorized by law, for
20	personnel of the Army Reserve while on active duty under-
21	going Reserve training or while performing drills or equiva-
	H. R. 8873——2

- 1 lent duty, and for members of the Reserve Officers' Training
- 2 Corps; subsistence for members of the Army Reserve for
- 3 drills of eight or more hours duration in any one calendar
- 4 day; \$90,000,000.

5 ARMY NATIONAL GUARD

For pay, allowances, clothing, subsistence, transporta-6 tion, and travel, as authorized by law, for personnel of the 7 Army National Guard while undergoing training or while 8 performing drills or equivalent duties; expenses of training, 9 organizing and administering the Army National Guard, in-10 11 cluding maintenance, operation, and alterations to structures 12 and facilities; hire of passenger motor vehicles; personal 13 services in the National Guard Bureau and services of personnel of the National Guard employed as civilians without 14 regard to their military rank, and the number of caretakers 15 authorized to be employed under provisions of law (32) 16 U. S. C. 42) may be such as is deemed necessary by the 17 Secretary of the Army; subsistence for officers attending 18 drills of eight or more hours duration in any one calendar 19 day; travel expenses (other than mileage), as authorized by 20 law for Army personnel on active duty, for Army National 21 Guard division, regimental, and battalion commanders while 22 inspecting units in compliance with National Guard regula-23 tions when specifically authorized by the Chief, National 24

- 1 Guard Bureau; supplying and equipping the Army National
- 2 Guard of the several States, Territories, and the District of
- 3 Columbia, as authorized by law; and expenses of repair,
- 4 modification, maintenance, and issue of supplies and equip-
- 5 ment (including aircraft); \$218,530,000.

6 RESEARCH AND DEVELOPMENT

- 7 For expenses necessary for basic and applied scientific
- 8 research and development, including maintenance, rehabili-
- 9 tation, lease and operation of facilities and equipment, as
- 10 authorized by law, \$345,000,000, to remain available until
- 11 expended.
- 12 NATIONAL BOARD FOR THE PROMOTION OF RIFLE
- 13 Practice, Army
- 14 For necessary expenses of construction, equipment
- 15 and maintenance of rifle ranges, the instruction of citizens
- 16 in marksmanship, and promotion of rifle practice, in accord-
- 17 ance with law, including travel of rifle teams, military
- 18 personnel, and individuals attending regional, national, and
- 19 international competitions, and not to exceed \$18,000 for
- 20 incidental expenses of the National Board, \$100,000: Pro-
- 21 vided, That travel expenses of civilian members of the
- 22 National Board shall be paid in accordance with the Stand-
- 23 ardized Government Travel Regulations, as amended.

1	ALASKA COMMUNICATION SYSTEM
2	OPERATION AND MAINTENANCE
3	For expenses necessary for the operation, maintenance,
4	and improvement of the Alaska Communication System,
5	including purchase (not to exceed two for replacement
6	only) and hire of passenger motor vehicles, \$4,235,000,
7	to remain available until the close of the fiscal year 1956,
8	and, in addition, not to exceed 15 per centum of the current
9	fiscal year receipts of the Alaska Communication System
10	may be merged with and used for the purposes of this
11	appropriation.
12	REDUCTIONS IN APPROPRIATIONS
13	PROCUREMENT AND PRODUCTION
14	The sum of \$500,000,000 of funds heretofore appro-
15	priated under this head is hereby rescinded, such sum to be
16	covered into the Treasury immediately upon approval of this
17	Act.
18	ARMY STOCK FUND
19	. The amount available in the Army Stock Fund is hereby
20	reduced by \$300,000,000, such sum to be covered into the
21	Treasury immediately upon approval of this Act.

1	TITLE V
2	DEPARTMENT OF THE NAVY
3	MILITARY PERSONNEL, NAVY
4	For pay, allowances, subsistence, interest on deposits,
5	gratuities, clothing, permanent change of station travel (in-
6	cluding expenses of temporary duty between permanent duty
7	stations), training duty travel of midshipmen paid hereunder,
8	and transportation of dependents, household effects, and
9	privately owned automobiles, as authorized by law, for
10	regular and reserve personnel on active duty (except those
1	on active duty while undergoing reserve training), mid-
12	shipmen at the Naval Academy, and aviation cadets,
13	\$2,417,000,000.
14	MILITARY PERSONNEL, NAVAL RESERVE
15	For pay, allowances, clothing, subsistence, gratuities,
16	and travel, as authorized by law, for personnel of the Naval
17	Reserve on active duty while undergoing reserve training,
18	or while performing drills or equivalent duty, regular and
19	contract enrollees in the Naval Reserve Officers' Training
20	Corps, and retainer pay authorized by the Act of August
21	13, 1946 (34 U. S. C. 1020h), \$78,100,000.

1	NAVY PERSONNEL, GENERAL EXPENSES
2	For expenses necessary for general training, education
3	and administration of regular and reserve personnel, includ-
4	ing tuition, cash book allowances of not to exceed \$50 for
5	each Naval Aviation College program student, and other
6	costs incurred at civilian schools, general training aids and
7	devices, procurement of military personnel, and authorized
8	annuity premiums and retirement benefits for civilian mem-
9	bers of teaching staffs; maintenance and operation of Navy
10	training and personnel facilities, including the Naval Acad-
11	emy, Naval Postgraduate School, Naval War College, Naval
12	Home, Navy training schools and facilities, disciplinary
13	barracks, and retraining commands; rent; hire of motor
14	vehicles; not to exceed \$30 per person for civilian clothing,
15	including an overcoat when necessary, for enlisted personnel
16	discharged otherwise than honorably; welfare and recreation;
17	medals and other awards; and departmental salaries;
18	\$74,970,000.
19	MILITARY PERSONNEL, MARINE CORPS
20	For pay, allowances, subsistence, interest on deposits,
21	gratuities, clothing, permanent change of station travel (in-
22	cluding expenses of temporary duty between permanent duty
23	stations), and transportation of dependents, household

24 effects, and privately owned automobiles, as authorized by

- 1 law, for regular and reserve personnel on active duty (ex-
- 2 cept those on active duty while undergoing reserve training),
- 3 \$612,180,600.
- 4 MILITARY PERSONNEL, MARINE CORPS RESERVE
- 5 For pay, allowances, clothing, subsistence, gratuities,
- 6 and travel, as authorized by law, for personnel of the Marine
- 7 Corps Reserve and the Marine Corps platoon leaders class
- 8 on active duty while undergoing reserve training, or while
- 9 performing drills or equivalent duty, \$16,750,000.

10 MARINE CORPS TROOPS AND FACILITIES

- 11 For necessary expenses of troops and facilities of the
- 12 Marine Corps not otherwise provided for, including main-
- 13 tenance and operation of equipment and facilities, and pro-
- 14 curement of military personnel; training and education of
- 15 regular and reserve personnel, including tuition and other
- 16 costs incurred at civilian schools; welfare and recreation;
- 17 not to exceed \$30 per person for civilian clothing, including
- 18 an overcoat when necessary, for enlisted personnel dis-
- 19 charged otherwise than honorably; procurement and manu-
- 20 facture of military supplies, equipment and clothing; hire of
- 21 passenger motor vehicles; transportation of things; industrial
- 22 mobilization; rent; medals, awards, emblems and other in-
- 23 signia; care of the dead; and departmental salaries;
- 24 \$167,994,500.

MARINE CORPS PROCUREMENT 1 For expenses necessary for the procurement, manufac-2 ture, and modification of armament, ammunition, mili-3 tary equipment and vehicles for the Marine Corps, in-4 cluding purchase of passenger motor vehicles; \$129,974,000, 5 to remain available until expended. 6 AIRCRAFT AND FACILITIES 7 For expenses necessary for maintenance, operation, and 8 modification of aircraft; maintenance, operation, and lease 9 of air stations and facilities, testing laboratories, fleet and 10 other aviation activities; procurement of services, supplies, 11 special clothing, tools, materials, and equipment, including 12 rescue boats; industrial mobilization; aerological services, 13 supplies, and equipment for the Navy and Marine Corps; 14 15 and departmental salaries; \$775,895,500. 16 AIRCRAFT AND RELATED PROCUREMENT 17 For construction, procurement, and modernization of air-18 craft and equipment, including ordnance, spare parts, and 19 accessories therefor; expansion of public and not to exceed 20 \$10,000,000 for expansion of private plants, including the 21land necessary therefor, without regard to section 3734, 22 Revised Statutes, as amended, and such land, and interests

therein, may be acquired and construction prosecuted thereon

prior to approval of title by the Attorney General as required

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- 1 by section 355, Revised Statutes, as amended; procurement
- 2 and installation of equipment in public or private plants; and
- 3 departmental salaries necessary for the purposes of this appro-
- 4 priation, to remain available until expended; \$1,973,568,000.

SHIPS AND FACILITIES

6 For expenses necessary for design, maintenance, opera-

7 tion, and alteration of vessels; maintenance and operation of

8 facilities; procurement of plant equipment, appliances, and

9 machine tools, and installation thereof in public or private

10 plants; procurement of equipment, supplies, special clothing

11 and services; installation, maintenance, and removal of ships'

12 ordnance; lease of facilities and docks; charter and hire of

13 vessels; relief of vessels in distress; maritime salvage serv-

14 ices; industrial mobilization; and departmental salaries;

15 \$818,681,000, of which \$15,675,000 shall be transferred to

16 the appropriation "Coast Guard Operating Expenses, 1955"

17 for the operation of ocean stations.

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CONSTRUCTION OF SHIPS

- For an additional amount for "Construction of Ships",
- ²⁰ \$57,600,000, to remain available until expended: Provided,
- 21 That the total of obligations incurred under this head for
- 22 construction, conversion, or replacement, approved after July
- ²³ 17, 1947, shall not exceed \$1,251,861,000.

H. R. 8873——3

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SHIPBUILDING AND CONVERSION

2 For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including 3 armor and armament therefor, plant equipment, appliances, 4 and machine tools, and installation thereof in public or pri-5 6 vate plants; designs for vessels to be constructed or converted in the future; and departmental salaries necessary for the 7 purposes of this appropriation; \$1,042,400,000, to remain 8 available until expended: Provided, That the total of obliga-9 10 tions incurred under the heads "Shipbuilding and conversion" 11 and "Ordnance for shipbuilding and conversion", including 12 those incurred against reimbursements credited to these ap-13 propriations pursuant to section 403 (b) of the Mutual De-14 fense Assistance Act of 1949, as amended (22 U.S. C. 1574 15 (b)), shall not exceed \$4,370,504,000.

ORDNANCE AND FACILITIES

17 For expenses necessary for the production and procure-18 ment of Navy ordnance and ammunition (except ordnance 19 for new aircraft, new ships, and ships authorized for conver-20 sion); alteration, preservation, and handling of ordnance 21 and ammunition; maintenance of ordnance (except installa-22tion, maintenance, and removal of ships' ordnance, and line 23maintenance of ordnance installed in aircraft); maintenance 24 and operation of ordnance facilities; procurement of equip-25 ment, supplies, special clothing and services; procurement

- 1 of plant equipment, appliances, and machine tools, and in-
- 2 stallation thereof in naval or private plants; lease of facil-
- 3 ities; industrial mobilization; and departmental salaries;
- 4 \$457,436,000.
- 5 Ordnance for New Construction (Liquidation of
- 6 CONTRACT AUTHORIZATION)
- 7 For liquidation of obligations incurred pursuant to
- 8 authority heretofore granted under this head, \$34,000,000,
- 9 to remain available until expended: Provided, That this
- 10 amount may be disbursed through the appropriation
- 11 "Ordnance for New Construction, Navy".

12 MEDICAL CARE

- 13 For expenses necessary for maintenance and operation
- 14 of naval hospitals, medical centers, clinics, schools, research
- 15 facilities, and other medical activities; technical medical
- support of the supply system and other naval activities; pro-
- curement of ambulances, medical and dental supplies, equip-
- ment and services; rent; instruction of medical personnel in
- 19 naval hospitals, naval schools, and civilian schools; industrial
- mobilization; care of the dead; and departmental salaries;
- ²¹ \$63,600,000.

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CIVIL ENGINEERING

- For expenses necessary for maintenance and operation
- of district public works offices, public works centers, con-
- struction battalion centers, defense housing projects, other

- 1 civil engineering facilities, and shore activities not otherwise
- 2 provided for; procurement of services, supplies, and equip-
- 3 ment for the foregoing activities; purchase and hire of
- 4 passenger motor vehicles; engineering services; industrial
- 5 mobilization; and departmental salaries; \$103,294,000.
- 6 MILITARY CONSTRUCTION, NAVAL RESERVE FORCES
- For construction, acquisition, expansion, rehabilitation
- 8 and conversion of facilities for the training and administration
- 9 of the reserve components of the Navy and Marine Corps,
- 10 including contributions therefor, as authorized by the Act of
- 11 September 11, 1950 (64 Stat. 829), without regard to
- 12 section 3734, Revised Statutes, as amended, and land and
- 13 interests therein may be acquired and construction prosecuted
- 14 thereon prior to the approval of title by the Attorney General
- 15 as required by section 355, Revised Statutes, as amended;
- 16 \$15,000,000, to remain available until expended.

17 FACILITIES

- 18 For expenses necessary for acquisition, construction, and
- 19 installation of production facilities and equipment, and test
- 20 facilities and equipment (other than those for research and
- 21 development), including the land necessary therefor, with-
- 22 out regard to section 3734, Revised Statutes, as amended,
- 23 and such land, and interests therein, may be acquired and
- 24 construction prosecuted thereon prior to the approval of
- 25 title by the Attorney General as required by section 355,

Revised Statutes, as amended, such amounts as may be de-1 termined by the Secretary of the Navy, and approved by the 9 Secretary of Defense and the Bureau of the Budget, and 3 said amounts shall be derived by transfer from any appropriations available to the Department of the Navy, during 5 the current fiscal year for procurement of equipment for 6 installation or use in private plants: Provided, That the total amount so transferred shall not exceed \$25,000,000.

RESEARCH AND DEVELOPMENT

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For expenses necessary for basic and applied scientific 10 research and development, including maintenance, rehabilitä-11 tion, lease, and operation of facilities and equipment, as 12 authorized by law, \$419,874,900, to remain available until 13 expended. 14

SERVICE-WIDE SUPPLY AND FINANCE

16 For expenses necessary for maintenance and operation of service-wide supply and finance activities, including supply 17 depots and centers, area provision supply and purchasing 18 19 offices, supply demand control points, fleet fueling facilities, 20 overseas air cargo terminals, regional accounting and dis-21 bursing offices, the material catalog office, and other service-22 wide supply and finance facilities, as designated by the Sec-23 retary; procurement of supplies, services, special clothing, 24 and equipment; rent, intra-Navy transportation of things; 25 transportation of household effects of civilian employees;

- 1 industrial mobilization; losses in exchange and in the ac-
- 2 counts of disbursing officers, as authorized by law; and
- 3 departmental salaries; \$340,300,000.

4 Service-Wide Operations

- 5 For expenses necessary for maintenance and operation of
- 6 the Naval Observatory, the Hydrographic Office, Service-
- 7 wide Communications, Naval Records Centers, Naval Dis-
- 8 trict Headquarters (except training officers), River Com-
- 9 mands, the cost inspection service, and other service-wide
- 10 operations and functions not otherwise provided for; procure-
- 11 ment of supplies, services and equipment for activities
- 12 financed hereunder; Latin-American cooperation; not to
- 13 exceed \$8,405,000 for emergencies and extraordinary ex-
- 14 penses as authorized by section 6 of the Act of August 2,
- 15 1946 (5 U.S. C. 419c), to be expended on the approval
- 16 and authority of the Secretary, and his determination shall be
- 17 final and conclusive upon the accounting officers of the
- 18 Government; and departmental salaries; \$103,625,000.

19 NAVAL PETROLEUM RESERVES

- 20 For expenses necessary for exploration, prospecting,
- 21 conservation, development, use, and operation of the naval
- 22 petroleum reserves, as authorized by law, \$3,575,000.

1	REDUCTIONS IN APPROPRIATIONS
2	NAVY STOCK FUND
3	The amount available in the Navy Stock Fund is hereby
4	reduced by \$200,000,000, such sum to be covered into the
5	Treasury immediately upon approval of this Act.
6	MARINE CORPS STOCK FUND
7	The amount available in the Marine Corps Stock Fund
8	is hereby reduced by \$25,000,000, such sum to be covered
9	into the Treasury immediately upon approval of this Act.
10	TITLE VI
11	DEPARTMENT OF THE AIR FORCE
12	AIRCRAFT AND RELATED PROCUREMENT
13	For construction, procurement, and modification of air-
14	craft and equipment, armor and armament, spare parts and
15	accessories therefor; specialized equipment; expansion of
16	public and private plants, Government-owned equipment and
17	installation thereof in such plants, erection of structures, and
18	acquisition of land without regard to section 1136, Revised
19	Statutes, as amended, for the foregoing and other purposes,
20	and such land, and interests therein, may be acquired and
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	construction prosecuted thereon prior to the approval of title

- 1 Statutes, as amended; industrial mobilization, including main-
- 2 tenance of reserve plants and equipment and procurement
- 3 planning; and other expenses necessary for the foregoing
- 4 purposes, including rents and transportation of things;
- 5 \$2,760,000,000, to remain available until expended.
- 6 Major Procurement Other Than Aircraft
- For procurement of supplies, materials, and equipment,
- 8 and spare parts therefor, not otherwise provided for; elec-
- 9 tronic and communication equipment; and the purchase of
- 10 passenger motor vehicles; \$674,364,000, to remain avail-
- 11 able until expended.

12 RESEARCH AND DEVELOPMENT

- 13 For expenses necessary for basic and applied scientific
- 14 research and development, including maintenance, rehabili-
- 15 tation, lease and operation of facilities and equipment, as
- 16 authorized by law, \$409,450,000, to remain available until
- 17 expended.

18 MAINTENANCE AND OPERATIONS

- For expenses necessary for the maintenance, operation,
- 20 and administration of the activities of the Air Force,
- 21 including the Air Force Reserve and the Air Reserve
- 22 Officers' Training Corps; maintenance, operation, and modifi-
- 23 cation of aircraft; transportation of things; rents at the seat of
- 24 government and elsewhere, and in administering the provi-
- 25 sions of 43 U.S.C. 315q payments of rents may be made

in advance; repair of facilities; field printing plants; procurement of ambulances; hire of passenger motor vehicles; 2 recruiting advertising expenses; training and instruction of 3 military personnel of the Air Force, including tuition and 4 related expenses; pay, allowances, and travel expenses of 5 contract surgeons; utility services for buildings erected at 6 private cost as authorized by law (10 U.S. C. 1346), and 7 buildings on military reservations authorized by Air Force 8 regulations to be used for welfare and recreational purposes; 9 rental of land or purchase of options to rent land without 10 reference to section 3648, Revised Statutes, as amended, use 11 or repair of private property, and other necessary expenses 12 of combat maneuvers; organizational clothing and equipage; 13 14 civilian clothing not to exceed \$30 in cost for each person upon 15 each release from a military prison, each enlisted man dis-16 charged other than honorably, each enlisted man sentenced by 17 a civil court to confinement in a civil prison, and each enlisted 18 man interned, or discharged without internment as an alien enemy; authorized issues of articles for use of applicants for 19 20 enlistment and persons in military custody; payment of 21exchange fees and exchange losses incurred by Air Force 22 disbursing officers or their agents; losses in the accounts of 23 Air Force disbursing officers as authorized by law (31 24 U. S. C. 95a; 50 U. S. C. 1705-1707); burial of the dead as H. R. 8873——4

- 1 authorized by law (10 U. S. C. 916-916d; 5 U. S. C. 103a),
- 2 including remains of personnel of the Air Force of the United
- 3 States who die while on active duty, travel allowances of
- 4 attendants accompanying remains, and acquisition by lease or
- 5 otherwise of temporary burial sites; chaplain and other
- 6 welfare and morale supplies and equipment; conduct of
- 7 schoolrooms, service clubs, chapels, and other instructional,
- 8 entertainment, and welfare expenses for enlisted men and
- 9 patients not otherwise provided for; awards and decorations;
- 10 expenses of courts, boards and commissions; expenses for
- 11 inter-American cooperation as authorized for the Navy by the
- 12 Act of August 2, 1946 (5 U.S. C. 421f), for Latin-Ameri-
- 13 can cooperation; and special services by contract or other-
- 14 wise; \$3,402,792,000.

15 MILITARY PERSONNEL

- 16 For pay, allowances, clothing, subsistence, transporta-
- tion, interest on deposits of enlisted personnel, and travel in
- 18 kind for cadets and permanent change of station travel for
- 19 all other personnel of the Air Force of the United States
- 20 on active duty including duty under section 5, National
- ²¹ Defense Act, as amended, or section 252 of the Armed
- ²² Forces Reserve Act of 1952 (50 U. S. C. 1003) (other
- than personnel of the reserve components, including the Air
- National Guard, on active duty while undergoing reserve
- 25 training), including commutation of quarters, subsistence

supplies for issue as rations to enlisted personnel, and clothing 1 allowances, as authorized by law; and, in connection with 2 personnel paid from this appropriation, for rental of camp 3 sites and local procurement of utility services and other nec-4 essary expenses incident to individual or troop movements 5 (including packing and unpacking and transportation of 6 organizational equipment); ice, meals for recruiting parties, 7 monetary allowances for liquid coffee for troops when sup-8 plied cooked or travel rations, and commutation of rations, 9 as authorized by law, to enlisted personnel, including those 10 sick in hospitals; transportation, as authorized by law, of 11 dependents, baggage, and household effects of personnel paid 12 from this appropriation; rations for applicants for enlistment, 13 prisoners of war, and general prisoners; subsistence supplies 14 for resale, as authorized by law; commutation of rations, as 15 authorized by regulations, to applicants for enlistment, and 16 general prisoners, while sick in hospitals; subsistence of 17 supernumeraries necessitated by emergent military circum-18 19 stances; expenses of apprehension and delivery of deserters, 20 prisoners, and members of the Air Force absent without leave, including payment of rewards (not to exceed \$25 in 21 22 any one case); confinement of military prisoners in non-23 military facilities; and donations of not to exceed \$25 to each civilian prisoner upon each release from a military prison, to 24 each enlisted man discharged otherwise than honorably upon 25

- 1 each release from confinement under court-martial sentence,
- 2 and to each person discharged for fraudulent enlistment;
- 3 \$3,356,704,000.

4 Reserve Personnel

5 For pay, allowances, clothing, subsistence, and travel

6 for personnel of the Air Force Reserve and the Air Reserve

7 Officers' Training Corps, while on active duty undergoing

8 reserve training or while performing drills or equivalent

9 duty, as authorized by law; and the procurement and issue

10 of uniforms to institutions necessary for the training of the

11 Air Reserve Officers' Training Corps, as authorized by law;

12 \$28,000,000.

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AIR NATIONAL GUARD

For pay, allowances, clothing, subsistence, transportation (including mileage, actual and necessary expenses, or per diem in lieu thereof), medical and hospital treatment and related expenses, for members of the Air National Guard while undergoing Reserve training or while performing drills

or equivalent duty, as authorized by law; travel expenses

20 (other than mileage) on the same basis as authorized by

21 law for Air National Guard personnel on active Federal

duty, of Air National Guard commanders while inspecting

units in compliance with National Guard regulations when

24 specifically authorized by the Chief, National Guard Bureau;

25 establishment, maintenance, operation, repair, and other

necessary expenses of facilities for the training and adminis-1 tration of the Air National Guard, including construction of 2 facilities, and additions, extensions, alterations, improve-3 ments, and rehabilitation of existing facilities, as authorized 4 by the Act of September 11, 1950 (Public Law 783); main-5 tenance, operation, and modification of aircraft; transporta-6 7 tion of things; purchase and hire of passenger motor vehicles; procurement and issue to the Air National Guard of the 8 9 several States, Territories, and the District of Columbia of supplies, materials, and equipment, as authorized by law; 10 and expenses incident to the maintenance and use of sup-11 plies, materials, and equipment, including such as may be 12 furnished from stocks under the control of agencies 13 of the Department of Defense; \$160,000,000: Provided, 14 That the number of caretakers authorized to be em-15 ployed under the provisions of law (32 U.S.C. 42) may 16 be such as is deemed necessary by the Secretary of the Air 17 Force.

CONTINGENCIES

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For emergencies and military expenses, to be expended 20 on the authority or approval of the Secretary of the Air 21 Force, and such expenses may be accounted for solely on 22 his certificate, \$28,000,000. 23

1	REDUCTION IN APPROPRIATION
2	AIR FORCE STOCK FUND
3	The amount available in the Air Force Stock Fund is
4	hereby reduced by \$25,000,000, such sum to be covered
5	into the Treasury immediately upon approval of this Act.
6	TITLE VII
7	GENERAL PROVISIONS
8	SEC. 701. During the current fiscal year, the Secretary
9	of Defense and the Secretaries of the Air Force, Army, and
10	Navy, respectively, if they should deem it advantageous to
11	the national defense, and if in their opinions, the existing
12	facilities of the Department of Defense are inadequate, are
13	authorized to procure services in accordance with section 15
14	of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates
15	for individuals not in excess of \$50 per day, and to pay in
16	connection therewith travel expenses of individuals, including
17	actual transportation and per diem in lieu of subsistence
18	while traveling from their homes or places of business to
19	official duty station and return as may be authorized by law:
20	Provided, That such contracts may be renewed annually.
21	Sec. 702. Section 3648, Revised Statutes, shall not
22	apply in the case of payments made from appropriations
23	contained in this Act, (1) to payments made in compliance
24	with the laws of foreign countries or their ministerial regu-
25	lations, (2) to payments for rent in such countries for such

- 1 periods as may be necessary to accord with local custom, or
- 2 (3) to payments made for tuition.
- 3 Sec. 703. During the current fiscal year, provisions of
- 4 law prohibiting the payment of compensation to, or employ-
- 5 ment of, any person not a citizen of the United States shall
- 6 not apply to personnel of the Department of Defense.
- 7 Sec. 704. Such military and naval personnel as may be
- 8 detailed for duty with agencies not a part of the Department
- 9 of Defense on a reimbursement basis may be employed in ad-
- 10 dition to the numbers otherwise authorized and appropriated
- 11 for.
- 12 Sec. 705. Appropriations contained in this Act shall
- 13 be available for insurance of official motor vehicles in
- 14 foreign countries, when required by laws of such countries;
- payments in advance of expenses determined by the investi-
- 16 gating officer to be necessary and in accord with local custom
- 17 for conducting investigations in foreign countries incident
- 18 to matters relating to the activities of the department con-
- 19 cerned; reimbursement of General Services Administration
- ²⁰ for security guard services for protection of confidential files;
- and all necessary expenses, at the seat of government of the
- ²² United States of America or elsewhere, in connection with
- 23 (1) instruction and training, including tuition, specifically
- ²⁴ approved by the Secretary of the Department concerned
- and not otherwise provided for, of civilian employees, and

(2) communication and other services and supplies as may 1 be necessary to carry out the purposes of this Act: Provided, 2 That no appropriation contained in this Act, and no funds 3 available from prior appropriations to component depart-4 ments and agencies of the Department of Defense, shall be 5 used to pay tuition or to make other payments to educational 6 7 institutions in connection with the instruction or training of file clerks, stenographers, and typists receiving, or prospec-8 tive file clerks, stenographers, and typists who will receive 9 compensation at a rate below the minimum rate of pay for 10 positions allocated to grade GS-5 under the Classification 11 12 Act of 1949, as amended. 13 Sec. 706. Any appropriation available to the Air 14 Force, Army, or the Navy may, under such regulations 15 as the Secretary concerned may prescribe, be used for ev-16 penses incident to the maintenance, pay, and allowances of 17 prisoners of war, other persons in Air Force, Army, or Navy 18 custody whose status is determined by the Secretary con-19 cerned to be similar to prisoners of war, and persons de-20 tained in such custody pursuant to Presidential proclamation. 21 SEC. 707. Appropriations available to the Depart-22 ment of Defense for the current fiscal year for construc-23 tion or maintenance shall be available for minor construction 24 (except family quarters), conversion of and extensions to 25 existing structures, and improvements, at facilities

the Department concerned, but the cost of any project author-1 ized under this section which is not otherwise authorized 2 shall not exceed the following cost limitations, but only one 3 allotment shall be made for any one project or unit: (a) any 4 such project determined by the Secretary of Defense to be 5 urgently required in the interests of national defense, \$200,-6 000; (b) any such project determined by the Secretary of 7 the Department concerned to be urgently required in the 8 9 interests of national defense, \$50,000; and (c) any other 10 such project, \$25,000: Provided, That the cost limitations 11 of this section shall not apply to amounts authorized to 12 be expended for emergency expenses on the approval of the Secretary concerned: Provided further, That the cost of con-13 verting existing structures to family quarters pursuant to the 14 authority contained in this section shall not exceed \$50,000 15 16 during the current fiscal year at any single facility of the 17 Department concerned. 18 SEC. 708. During the current fiscal year, appro-19 priations otherwise available for construction of family 20 quarters for personnel shall not be obligated for such construc-21 tion at a cost per family unit in excess of \$14,040 on housing units for generals; \$12,040 on housing units for majors, 22 23 lieutenant colonels and colonels, or equivalent; \$11,040 on housing units for second lieutenants, lieutenants, captains, and 24

warrant officers, or equivalent; or \$10,040 on housing units

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- 1 for enlisted personnel, except that when such units are con-
- 2 structed outside the continental United States or in Alaska,
- 3 the average cost per unit of all such units shall not exceed
- 4 \$25,850 and in no event shall the individual cost exceed
- 5 \$35,000, except units for the Alaska Communications System
- 6 the individual cost of which shall not exceed \$40,000.
- 7 Sec. 709. Appropriations for the Department of De-
- 8 fense for the current fiscal year shall be available, (a)
- 9 except as authorized by the Act of September 30, 1950
- 10 (20 U.S. C. 236-244), for primary and secondary school-
- 11 ing for dependents of military and civilian personnel of the
- 12 Department of Defense residing on military or naval installa-
- 13 tions or stationed in foreign countries, as authorized for the
- 14 Navy by section 13 of the Act of August 2, 1946 (5
- 15 U. S. C. 421d) in amounts not exceeding an average of
- 16 \$225 per student, when the Secretary of the Depart-
- 17 ment concerned finds that schools, if any, available in the
- 18 locality, are unable to provide adequately for the education of
- 19 such dependents; (b) for expenses in connection with admin-
- 20 istration of occupied areas; (c) for payment of rewards as
- 21 authorized for the Navy by the Act of August 2, 1946, for
- 22 information leading to the discovery of missing naval
- 23 property or the recovery thereof; (d) for payment of de-
- 24 ficiency judgments and interest thereon arising out of
- 25 condemnation proceedings.

SEC. 710. No part of any appropriation contained 1 in this Act shall be used directly or indirectly except 2 3 for temporary employment in case of emergency, for the payment of any civilian for services rendered by him on the 4 Canal Zone while occupying a skilled, technical, clerical, 5 6 administrative, executive, or supervisory position unless such person is a citizen of the United States of America or of the 7 Republic of Panama: Provided however, (1) That, not-8 withstanding the provision in the Act approved August 11, 9 1939 (53 Stat. 1409), limiting employment in the above-10 11 mentioned positions to citizens of the United States from and 12 after the date of approval of said Act, citizens of Panama 13 may be employed in such positions; (2) that at no time 14 shall the number of Panamanian citizens employed in the 15 above-mentioned positions exceed the number of citizens of 16 the United States so employed, if United States citizens are 17 available in continental United States or on the Canal Zone; 18 (3) that nothing in this Act shall prohibit the continued 19 employment of any person who shall have rendered fifteen 20 or more years of faithful and honorable service on the Canal 21 Zone; (4) that in the selection of personnel for skilled, 22 technical, administrative, clerical, supervisory, or executive 23 positions the controlling factors in filling these positions shall 24 be efficiency, experience, training, and education; (5) that 25 all citizens of Panama and the United States rendering

- 1 skilled, technical, clerical, administrative, executive, or
- 2 supervisory service on the Canal Zone under the terms of
- 3 this Act (a) shall normally be employed not more than
- 4 forty hours per week, (b) may receive as compensation
- 5 equal rates of pay based upon rates paid for similar employ-
- 6 ment in continental United States plus 25 per centum;
- 7 (6) this entire section shall apply only to persons employed
- 8 in skilled, technical, clerical, administrative, executive, or
- 9 supervisory positions on the Canal Zone directly or indirectly
- 10 by any branch of the United States Government or by any
- 11 corporation or company whose stock is owned wholly or in
- 12 part by the United States Government: Provided further,
- 13 That the President may suspend from time to time in whole
- 14 or in part compliance with this section if he should deem
- 15 such course to be in the public interest.
- 16 Sec. 711. Insofar as practicable, the Secretary of
- 17 Defense shall assist American small business to participate
- 18 equitably in the furnishing of commodities and services
- 19 financed with funds appropriated under this Act by making
- 20 available or causing to be made available to suppliers in the
- 21 United States, and particularly to small independent enter-
- 22 prises, information, as far in advance as possible, with re-
- 23 spect to purchases proposed to be financed with funds
- 24 appropriated under this Act, and by making available or
- 25 causing to be made available to purchasing and contracting

- 1 agencies of the Department of Defense information as to
- 2 commodities and services produced and furnished by small
- 3 independent enterprises in the United States, and by other-
- 4 wise helping to give small business an opportunity to par-
- 5 ticipate in the furnishing of commodities and services
- 6 financed with funds appropriated by this Act.
- 7 Sec. 712. No appropriation contained in this Act
- 8 shall be available for expenses of operation of messes
- 9 (other than organized messes the operating expenses of
- 10 which are financed principally from nonappropriated funds)
- 11 at which meals are sold to officers or civilians except under
- 12 regulations approved by the Secretary of Defense, which
- 13 shall (except under unusual or extraordinary circumstances)
- 14 establish rates for such meals sufficient to provide reimburse-
- 15 ment of operating expenses and food costs to the appropria-
- 16 tions concerned: Provided, That officers and civilians in a
- 17 travel status receiving a per diem allowance in lieu of subsis-
- 18 tence shall be charged at the rate of not less than \$2.25 per
- 19 day: Provided further, That for the purposes of this section
- 20 payments for meals at the rates established hereunder may
- 21 be made in cash or by deductions from the pay of civilian
- 22 employees.
- 23 Sec. 713. No part of any appropriation contained
- 24 in this Act shall be available until expended unless

- 1 expressly so provided elsewhere in this or some other appro-
- 2 priation Act.
- 3 Sec. 714. No part of any appropriation con-
- 4 tained in this Act shall be available for or on account of the
- 5 supply or replacement of table linen, dishes, glassware, silver,
- 6 and kitchen utensils for use in the residences or quarters of
- 7 officers on shore (other than for field messes, messes tem-
- 8 porarily set up on shore for bachelor officers and officers
- 9 attached to seagoing or district defense vessels, to aviation
- 10 units based on seagoing vessels, to the fleet air bases, to the
- 11 submarine bases, or to landing forces and expeditions), ex-
- 12 cept in accordance with regulations approved by the Secre-
- 13 tary of Defense, which shall provide for uniform practices
- 14 among all of the services.
- 15 Sec. 715. Not more than \$40,000,000 of the amounts
- 16 received during the current fiscal year by the Department
- 17 of Defense as proceeds from the sale of scrap or salvage
- 18 materials, shall be available during the current fiscal year
- 19 for expenses of transportation, demilitarization, and other
- 20 preparation for sale or salvage of military supplies, equip-
- 21 ment, and matériel: Provided, That a report of receipts
- 22 and disbursements under this limitation shall be made quar-
- 23 terly to the Committees on Appropriations of the Congress.
- 24 Sec. 716. During the current fiscal year, the President
- 25 may exempt appropriations, funds, and contract authoriza-

- 1 tions, available for military functions under the Department
- 2 of Defense, from the provisions of subsection (c) of section
- 3 3679 of the Revised Statutes, as amended, whenever he
- 4 deems such action to be necessary in the interest of national
- 5 defense.

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SEC. 717. No appropriation contained in this Act shall 6 be available in connection with the operation of commissary 7 stores of the agencies of the Department of Defense for the 8 cost of purchase (including commercial transportation in the 9 10 United States to the place of sale but excluding all trans-11 portation outside the United States) and maintenance of operating equipment and supplies, and for the actual or 12 13 estimated cost of utilities as may be furnished by the Govern-14 ment and of shrinkage, spoilage, and pilferage of merchandise 15 under the control of such commissary stores, except as 16 authorized under regulations promulgated by the Secretaries 17 of the military departments concerned, with the approval of 18 the Secretary of Defense, which regulations shall provide 19 for reimbursement therefor to the appropriations concerned 20 and, notwithstanding any other provision of law, shall pro-21 vide for the adjustment of the sales prices in such com-22 missary stores to the extent necessary to furnish sufficient 23 gross revenue from sales of commissary stores to make such 24 reimbursement: Provided, That under such regulations as

may be issued pursuant to this section all utilities may be

furnished without cost to the commissary stores outside the 1 continental United States and in Alaska: Provided further, 2 That no appropriation contained in this Act shall be avail-3 able in connection with the operation of commissary stores 4 5 within the continental United States unless the Secretary of 6 Defense has certified that items normally procured from commissary stores are not otherwise available at a reasonable 7 distance and a reasonable price in satisfactory quality 8 and quantity to the military and civilian employees of the 9 Department of Defense. 10 SEC. 718. No part of any appropriation contained 11 12 in this Act shall be used to pay the salary or wages of any 13 person who engages in a strike against the Government of the 14 United States or who is a member of an organization of 15 Government employees that asserts the right to strike against 16 the Government of the United States, or who advocates, or 17 is a member of an organization that advocates, the over-18 throw of the Government of the United States by force or 19 violence: Provided, That for the purposes hereof an affidavit 20 shall be considered prima facie evidence that the person 21making the affidavit has not contrary to the provisions of 22this section engaged in a strike against the Government of the 23 United States, is not a member of an organization of Govern-

ment employees that asserts the right to strike against the

Government of the United States, or that such person does

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not advocate, and is not a member of an organization that 1 advocates, the overthrow of the Government of the United 2 States by force or violence: Provided further, That any per-3 son who engages in a strike against the Government of the 4 United States or who is a member of an organization of 5 Government employees that asserts the right to strike against 6 the Government of the United States, or who advocates, or 7 8 who is a member of an organization that advocates, the overthrow of the Government of the United States by force or 9 violence and accepts employment the salary or wages for 10 which are paid from any appropriation contained in this Act 11 shall be guilty of a felony and, upon conviction, shall be 12 13 fined not more than \$1,000 or imprisoned for not more than 14 one year, or both: Provided further, That the above penalty 15 clause shall be in addition to, and not in substitution for, any 16 other provisions of existing law.

17 SEC. 719. Hereafter, no part of any money appropriated 18 to the Department of Defense shall be expended under any 19 contract (other than a contract for personal services) 20 entered into after the enactment of this Act unless such con-21 tract provides—

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(1) that the Government may, by written notice to the contractor, terminate the right of such contractor to proceed under such contract if it is found, after notice and hearing, by the Secretary of the military department

with which the contract is made, or his designee, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by such contractor, or any agent or representative of such contractor, to any officer or employee of the Government with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing, of such contract: *Provided*, That the existence of the facts upon which such Secretary makes such findings shall be in issue and may be reviewed in any competent court,

(2) that in the event any such contract is so terminated the Government shall be entitled, (a) to pursue the same remedies against the contractor as it could pursue in the event of a breach of the contract by the contractor, and (b) as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount not less than three nor more than ten times (as determined by the Secretary or his designee) the costs incurred by any such contractor in providing any such gratuities to any such officer or employee.

SEC. 720. No funds appropriated in titles II, IV, V, and VI of this Act shall be used for the payment in excess of

475,000 full-time graded civilian employees (including (a) 1 the full-time equivalent of part-time employment, (b) per-2 sons who are described as "consultants" or who are com-3 pensated on a "when actually employed" basis if such 4 persons are employed on a contract basis or are paid on 5 a per diem basis, and (c) persons employed without com-6 pensation if they are reimbursed for expenses) at any 7 one time during the current fiscal year: Provided, That 8 9 whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of graded 10 11 civilian personnel for an equivalent or greater number of 12 military personnel will result in economy without adverse 13 effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such 14 15 funds as may be required to accomplish the substitution may 16 be transferred from the appropriate military personnel ap-17 propriation to, and merged with, the appropriation charged 18 with compensation of such graded civilian personnel. 19 SEC. 721. Notwithstanding any other provision of law, 20 executive order, or regulation, no part of the appropria-21 tions in this Act shall be available for any expenses of 22 operating aircraft under the jurisdiction of the Armed 23 Forces for the purpose of proficiency flying except in accordance with regulations issued by the Secretaries of 24 25 the Departments concerned and approved by the Secretary

of Defense which shall establish proficiency standards and 1 maximum and minimum flying hours for this purpose, but 2 not to exceed one hundred hours during the fiscal year: 3 Provided, That during the fiscal year, without regard to any 4 provision of law or executive order prescribing minimum 5 flight requirements, such regulations may provide for the pay-6 ment of flight pay at the rates prescribed in section 204 (b) 7 8 of the Career Compensation Act of 1949 (63 Stat. 802) to certain officers of the Armed Forces otherwise entitled to 9 10 receive flight pay (1) who have held aeronautical ratings 11 or designations for not less than twenty years, or (2) whose 12 particular assignment outside the United States makes it im-13 practical to participate in regular aerial flights. 14 Sec. 722. No part of any appropriation contained in this 15 Act shall be available for expense of transportation, pack-16 ing, crating, temporary storage, drayage, and unpacking 17 of household goods and personal effects in excess of eleven 18 thousand pounds net in any one shipment: Provided, That 19 the limitations imposed herein shall not be applicable in the 20 case of members transferred to or serving in stations outside 21 the continental United States or in Alaska under orders 22 relieving them from a duty station within the United States 23 prior to July 10, 1952, and who are returned to the United 24 States under orders relieving them from a duty station

- 1 beyond the United States or in Alaska on or after July 1,
- 2 1953.
- 3 Sec. 723. Vessels under the jurisdiction of the De-
- 4 partment of Commerce, the Department of the Army, the
- 5 Department of the Air Force, or the Department of the
- 6 Navy may be transferred or otherwise made available with-
- 7 out reimbursement to any of such agencies upon the request
- 8 of the head of one agency and the approval of the agency
- 9 having jurisdiction of the vessels concerned.
- 10 Sec. 724. None of the funds provided in this Act shall
- 11 be available for training in any legal profession nor for the
- 12 payment of tuition for training in such profession: Provided,
- 13 That nothing contained in this Act shall prohibit persons now
- 14 attending law courses from completing same.
- 15 Sec. 725. Funds provided in this Act for public infor-
- 16 mation and public relations shall not exceed \$3,500,000.
- 17 Sec. 726. Not more than 20 per centum of the appro-
- 18 priations in this Act which are limited for obligation during
- 19 fiscal year 1955 shall be obligated during the last two
- 20 months of the fiscal year: Provided, That this section shall
- 21 not apply to active duty training of civilian components.
- 22 Sec. 727. During the fiscal year 1955, the agencies
- 23 of the Department of Defense may accept the use of real
- 24 property from foreign countries for the United States in
- 25 accordance with mutual defense agreements or occupa-

- 1 tional arrangements and may accept services furnished by
- 2 foreign countries as reciprocal international courtesies or as
- 3 services customarily made available without charge; and
- 4 such agencies may use the same for the support of the
- 5 United States forces in such areas without specific appro-
- 6 priation therefor.
- 7 In addition to the foregoing, agencies of the Depart-
- 8 ment of Defense may accept real property, services, and
- 9 commodities from foreign countries for the use of the United
- 10 States in accordance with mutual defense agreements or
- 11 occupational arrangements and such agencies may use the
- 12 same for the support of the United States forces in such
- 13 areas without specific appropriation therefor: Provided,
- 14 That within thirty days after the end of each quarter the
- 15 Secretary of Defense shall render to the Committees on
- 16 Appropriations of the Senate and the House of Represen-
- 17 tatives and to the Bureau of the Budget a full report of
- 18 such property, supplies, and commodities received during
- 19 such quarter.
- 20 Sec. 728. During the current fiscal year, appropriations
- 21 available to the Department of Defense for research and de-
- 22 velopment may be used for the purposes of section 4 of the
- 23 Act of July 16, 1952 (66 Stat. 725).
- SEC. 729. Hereafter, no part of the funds appropriated
- 25 to the Department of Defense shall be available for the pay-

- 1 ment to any person in the military service who is resident of
- 2 a United States Territory or possession, of any foreign duty
- 3 allowances above the authorized allowances for comparable
- 4 rating in the continental United States unless such person
- 5 is serving in an area outside the Territory or possession of
- 6 which he is a resident.
- 7 Sec. 730. No appropriation contained in this Act shall
- 8 be available for the payment of more than 75 per centum
- 9 of charges of educational institutions for tuition or expenses
- 10 for off-duty training of military personnel, nor for the pay-
- 11 ment of any part of tuition or expenses for such training for
- 12 commissioned personnel who do not agree to remain on
- 13 active duty for two years after completion of such training.
- 14 Sec. 731. No part of the funds appropriated herein
- 15 shall be expended for the support of any student in basic
- 16 courses of the senior division, Reserve Officers Training
- 17 Corps, who has not executed a certificate of loyalty in such
- 18 form as shall be prescribed by the Secretary of Defense.
- 19 SEC. 732. Section 4 of the Act of June 29, 1948
- 20 (62 Stat. 1094), is amended by striking the words "in
- 21 April".
- 22 SEC. 733. No part of any appropriation contained
- 23 in this Act shall be available for the procurement of any
- 24 article of food, clothing, cotton or wool (whether in the
- 25 form of fiber or yarn or contained in fabrics, materials, or

manufactured articles) not grown, reprocessed, reused, or 1 2 produced in the United States or its possessions, except to 3 the extent that the Secretary of the Department concerned shall determine that a satisfactory quality and sufficient quan-4 tity of any articles of food or clothing or any form of cotton 5 or wool grown, reprocessed, reused, or produced in the United 6 States or its possessions cannot be procured as and when 7 needed at United States market prices and except procure-8 9 ments outside the United States in support of combat operations, procurements by vessels in foreign waters and emer-10 gency procurements or procurements of perishable foods by 11 establishments located outside the continental United States, 12 except the Territories of Hawaii and Alaska, for the person-13 nel attached thereto: Provided, That nothing herein shall 14 preclude the procurement of foods manufactured or processed 15 in the United States or its possessions: Provided further, 16 That no funds herein appropriated shall be used for the pay-17 ment of a price differential on contracts hereafter made for 18 the purpose of relieving economic dislocations. 19 SEC. 734. None of the funds appropriated by this 20 Act may be used in the preparation or prosecution of the 21 pending suit in the United States District Court for the 22 Southern District of California, Southern Division, by the 23

United States of America against Fallbrook Public Utility

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- 1 District, a public service corporation of the State of California,
- 2 and others.
- 3 Sec. 735. None of the funds appropriated in this
- 4 Act shall be used for the purchase of passenger automobiles
- 5 except for replacement.
- 6 Sec. 736. None of the funds appropriated in this
- 7 Act shall be used for the construction, replacement, or
- 8 reactivation of any bakery, laundry, or dry-cleaning facility
- 9 in the United States, its Territories, or possessions, as to
- 10 which the Secretary of Defense does not certify, in writing,
- 11 giving his reasons therefor, that the services to be furnished
- 12 by such facilities are not obtainable from commercial sources
- 13 at reasonable rates.
- 14 Sec. 737. In order more effectively to adminis-
- 15 ter the funds appropriated to the Department of Defense,
- 16 the President, to the extent he deems it necessary and appro-
- 17 priate in the interest of national defense, may authorize posi-
- 18 tions in the Department of Defense to be placed temporarily
- 19 in grades 16, 17, and 18 of the General Schedule of the
- 20 Classification Act of 1949 in accordance with the procedures
- 21 and standards of that Act, and such positions shall be addi-
- 22 tional to the number authorized by section 505 of that Act.
- 23 Under authority herein, grades 16, 17, and 18 in the Depart-
- 24 ment of Defense may be increased only to the extent that

- 1 the total of such grades in the Department of Defense shall
- 2 not exceed two hundred.
- SEC. 738. This Act may be cited as the "Department of
- 4 Defense Appropriation Act, 1955."

INDEX

Title I	
National Security Training Commission	Page 2
DEPARTMENT OF DEFENSE	
TITLE II—OFFICE OF SECRETARY OF DEFENSE	
Salaries and expenses	2
Office of Public Information, salaries and expenses	2
Title III	
INTERSERVICE ACTIVITIES	
Claims	3
Construction of ships, MSTSContingencies	4
Court of Military Appeals	5
Emergency fund	4
Retired pay	5
Trille IV	
DEPARTMENT OF THE ARMY	
Alaska communications system, operation and maintenance	12
Maintenance and operations	6
Military construction, Army Reserve Forces	9
Military personnel National Board for Promotion of Rifle Practice	5 11
National Guard	10
Reduction in appropriation	12
Research and development	11
Reserve personnel requirements	9
Title V	
DEPARTMENT OF THE NAVY	
Aircraft and facilities	16
Aircraft and related procurement	16
Civil engineering	19
Construction of ships (1948–1951)	17
Facilities	20
General expenses, Navy personnel	14
(51)	

Marine Corps:	Page			
Military personnel, Regular	14			
Military personnel, Reserve	15			
Procurement	16			
Troops and facilities	15			
Medical care	19			
Military construction, Naval Reserve Forces	20			
Military personnel:				
Naval Reserve	13			
Navy	13			
Naval petroleum reserves	22			
Navy personnel, general expenses	14			
Ordnance and facilities	18			
Ordnance for new construction	19			
Reductions in appropriations	23			
Research and development	21			
Service-wide supply and finance	21			
Service-wide operations	22			
Shipbuilding and conversion (1952–1955)	18.			
Ships and facilities	17			
Ships, construction of (1948–1951)	17			
TITLE VI				
DEPARTMENT OF THE AIR FORCE				
Aircraft and related procurement	23			
Air National Guard	28			
Contingencies	29			
Maintenance and operations	24			
Major procurement other than aircraft	24			
Military personnel	26			
Reduction in appropriation	30			
Research and development	24			
Reserve personnel	28			
neserve personners				
TITLE VII				
GENERAL PROVISIONS				
General provisions	30			

* * * * * *



83D CONGRESS 2D SESSION

H. R. 8873

[Report No. 1545]

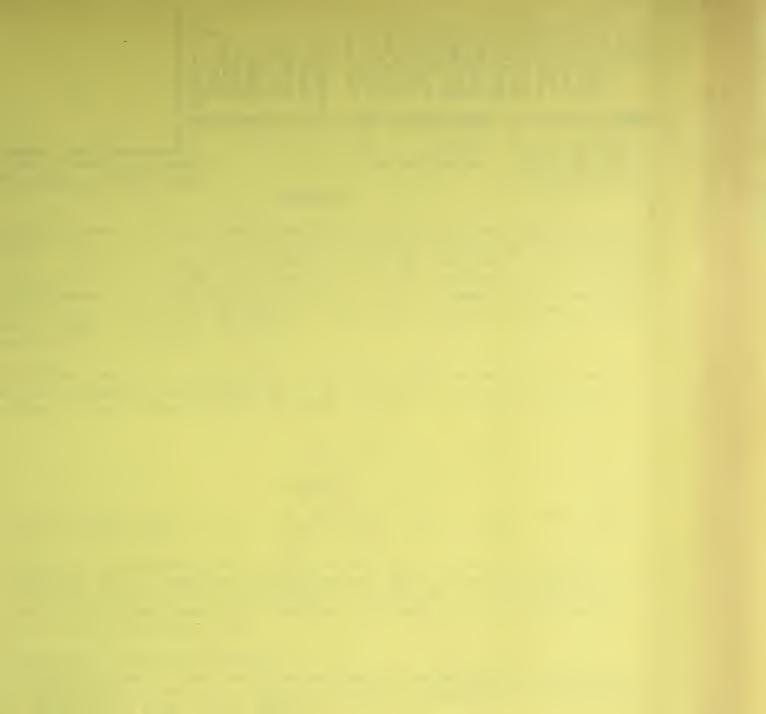
A BILL

Making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

By Mr. Wigglesworth

APRIL 26, 1954

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed





Digutof CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only) Issued For actions of

April 28, 1954 April 27, 1954 83rd-2nd, No. 77

CONTENTS

Acreage allotments7	Electrification6,19	Personnel4,8
	• • •	
2.4.21.22.23.24	Farm program	Tariffs
	Flood control6,14	
	Lands, public10	
	Divestock	
	Minerals	
Education 12		

HIGHLIGHTS: Senate passed wool bill, rejecting Ellender amendment, etc. Senate made 3rd supplemental appropriation bill its unfinished business. House sent buildings lease-purchase bill to conference.

SENATE

1. PRICE SUPPORTS. Passed, 69-17, with amendments S. 2911, the wool price supports bill (pp. 5245-86).

Agreed to an amendment by Sen. Young (for himself and Sens. Barrett and Langer) providing that, at such time as price support at 90% of parity or above is no longer required to achieve the immediate objective of 300 million pounds of shorn wool, price support would continue at the same levels as those provided by the act of 1949 (p. 5270).

Rejected the following amendments:

By Sen. Ellender (as modified), to continue for one additional year (through 1955) the mandatory price supports on certain commodities at 90% of parity; by a yote of 40 to 48 (pp. 5245-51).

By Sen. Malone (in the nature of a substitute for the bill), to create a Strategic and Critical Wool and Mohair Authority and substitute a system of wool
tariffs for the production payments, etc., authorized in the bill; by a vote
of 7 to 76 (pp. 5251-70).

By Sen. Thye, to require dairy price supports at not less than 85% of parity for the marketing year ending Mar. 31, 1955, and to limit annual reductions to 5% of parity thereafter; by a vote of 38 to 53 (pp. 5270-81).

By Sen. Humphrey (for himself and Sen. Wiley), to provide for dairy supports at the same level as for basic commodities and to limit annual reductions in dairy supports to 5% of the support level; by a vote of 32 to 60 (pp.5276-81).

By Sen. Ellender, to limit wool supports through payments to 100% of parity and to limit such supports through other means to 90% of parity; by a vote of 23 to 66 (pp. 5281-5).

By Sen. Kerr, directing beef cattle supports at 90% of parity (p. 5285).

As passed, the bill provides as follows: Provides for price support for wool and mohair at such levels as may be necessary to encourage or maintain desired levels of production. In the case of shorn wool, the desired level is specified at 300 million pounds annually. Such support could be provided by means of payments designed to bring the national average return of producers up to the support price, or by loans, purchases, or other operations. Total payments made under the bill, cumulated as of any date, would be limited to 70% of the specified duties collected on wool and its products cumulated after January 1, 1953. If support were made available other than through payments, the support level would be limited to 90% of the parity price. CCC would be reimbursed for payments made to producers under the bill from appropriations authorized by the bill, the amount appropriated for any fiscal year being limited to 70% of the gross receipts from specific duties on wool and its products during the calendar year ending last before such fiscal year. The bill also authorizes the Secretary to enter into agreements for the purpose of developing advertising and sales promotion programs for wool, mehair, sheep or goats, or the products thereof. Subject to approval by 2/3 of the affected producers, the expenses of such programs might be defrayed by deductions from the payments provided for by the bill. The wool and mohair price-support provisions of the Agricultural Act of 1949 would be repealed.

2. THIRD SUPPLEMENTAL APPROPRIATION BILL, 1954. This bill, H. R. 8481, was made the unfinished business (p. 5287).

HOUSE

- 3. BUILDINGS. House conferees were appointed on H. R. 6342, to authorize GSA to enter into lease-purchase agreements for construction of public buildings (p. 5291). Senate conferees have been appointed.
- 4. DEFENSE APPROPRIATION BILL, 1955. The Rules Committee reported a resolution for consideration of this bill, H. R. 8873 (p. 5306). The bill is to be debated today, Apr. 28 (p. D453). In reporting this bill (see Digest 76) the committee included the following statement in its report: "With reference to super-grade positions, it was the understanding of the Committee that these type positions were needed to attract specialists and experts from industry. Records of the Department show that of a total of 69 super-grade positions filled since January 1, 1953, a total of 43 or over 62 percent were filled by departmental promotion. While in certain instances this may be justified, it is felt that the purpose for which super-grades were originally created is being distorted, which situation may call for a general and detailed review of all such positions."
- 5. FOREIGN TRADE. Rep. Reed, N. Y., inserted and commended Rep. Fason's recent speech opposing trade agreements and the lowering of <u>tariffs</u> (pp. 5298-9).
- 6. ELECTRIFICATION; FLOOD CONTROL. Rep. Angell discussed the potential power and flood-control benefits to be derived from construction of Libby Dam, Mont., and commended the Army and Interior for "clearing the way" for the project (pp. 5301-3).

BILLS INTRODUCED

- 7. COTTON ALLOTMENTS. S. 3360, by Sen. Eastland, to provide for allotment of additional cotton acreage to relieve hardship in the case of certain farms; to Agriculture and Forestry Committee (p. 5241).
- 8. PERSONNEL. S. 3361, by Sen. Langer, to increase the basic rates of compensation

CONSIDERATION OF H. R. 8873

APRIL 27, 1954.—Referred to the House Calendar and ordered to be printed

Mr. Allen of Illinois, from the Committee on Rules, submitted the following

REPORT

[To accompany H. Res. 516]

The Committee on Rules, having had under consideration House Resolution 516, reports the same to the House with the recommendation that the resolution do pass.



House Calendar No. 178

83D CONGRESS 2D SESSION

H. RES. 516

[Report No. 1547]

IN THE HOUSE OF REPRESENTATIVES

APRIL 27, 1954

Mr. Allen of Illinois, from the Committee on Rules, reported the following resolution; which was referred to the House Calendar and ordered to be printed

RESOLUTION

- 1 Resolved, That during the consideration of the bill
- 2 (H. R. 8873) making appropriations for the Department of
- 3 Defense and related independent agency for the fiscal year
- 4 ending June 30, 1955, and for other purposes, all points
- 5 of order against the bill or any provisions contained therein
- 6 are hereby waived.

V

83D CONGRESS
2D SESSION

H. RES. 516

[Report No. 1547]

RESOLUTION

Waiving all points of order against the bill (H. R. 8873), or any provisions contained therein.

By Mr. ALLEN of Illinois

April 27, 1954

Referred to the House Calendar and ordered to be printed

Life Insurance Policy Holders Protective Association; W. Logan Martin, special committee on tax amendment, American Bar Association; Dr. Willford I. King, Committee for Constitutional Government; Merwin K. Hart, president, National Economic Council; Roger Moure, income tax consultant; and Robert T. McCracken, member, American Bar Association, Philadelphia.

Testifying in opposition to the bill were Representative Patman; George Riley, AFL; and Stanley Rutten-

berg, research department, CIO.

Statements were submitted favoring enactment of this proposed legislation from Secretary of the Treasury Humphrey; Miles Kennedy, American Legion; and Judge J. Raymond Tiffany, National Small Businessmen's Association.

At the conclusion of the hearings, it was announced that the record will be left open for 10 days to allow inclusion of additional statements.

COMMUNISM IN D. C.

Committee on the Judiciary: Internal Security Subcommittee resumed its hearings, with testimony today on communism in the District of Columbia. Witnesses heard were Roy Israel Peltz, Joseph Teitelbaum, and Nathan Brisker, all of D. C., and Mrs. Peter Chapa, of Silver Spring, Md.

Also testifying were Mrs. Mary Markward, D. C., a former undercover agent for the FBI, and Leonard Tatterson and Earl Reno, both of whom are former Communists.

Subcommittee recessed subject to call.

POSTAL SALARY INCREASES

Committee on Post Office and Civil Service: Committee held hearings on the subject of salary increases for postal employees, with testimony from Postmaster General Summerfield, who discussed in detail with the committee a plan approved by the Department designed to modernize the postal salary system. Mr. Summerfield was accompanied by Eugene J. Lyons, Assistant Postmaster General in Charge of Personnel, who gave a detailed description of charts explaining the operation of the recommended plan. Committee recessed subject to call.

House of Representatives

Chamber Action

Bills Introduced: 12 public bills, H. R. 8892–8903; 8 private bills, H. R. 8904–8911; and 4 resolutions, H. J. Res. 505, H. Con. Res. 226, and H. Res. 516 and 517.

Pages 5291,5307

Bills Reported: Reports were filed as follows:

H. R. 795, a private bill (H. Rept. 1546);

H. Res. 516, providing for the waiving of points of order against H. R. 8873, the Department of Defense appropriation bill for 1955 (H. Rept. 1547); and

H. R. 6975, authorizing conveyance of certain lands to the Siskiyou Joint Union High School District, Siskiyou County, Calif., amended (H. Rept. 1548).

Pages 5306–5307

Public Buildings Act: Disagreed to Senate amendments to H. R. 6342, to amend the Public Buildings Act of 1949 relative to acquisition of real property and construction of public buildings for housing Federal agencies including post offices, by executing purchase contracts; agreed to a conference requested by the Senate; and appointed as conferees Representatives Dondero, Angell, McGregor, Fallon, and Trimble.

Page 5291

Health: Passed, by voice vote, H. R. 7397, public health grant-in-aid amendments of 1954, after adopting a committee substitute amendment. This bill is designed to consolidate and simplify the several public health grant-

in-aid programs for assisting State and local communities in providing necessary public health services.

Pages 5295-5298

Program for Wednesday: Adjourned at 1:25 p. m. until Wednesday, April 28, at 11 a. m. when the House will consider H. R. 8873, the Department of Defense appropriation bill for 1955 (general debate only).

Committee Meetings

FARM SURPLUS DISPOSAL

Committee on Agriculture: John H. Davis, Assistant Secretary of Agriculture, was the first witness at the opening hearing on disposal of surplus commodities. Mr. Davis directed his testimony to the subject of domestic and foreign surplus disposal generally, and included specific recommendations for committee consideration during actual drafting of legislation on the subject. He emphasized foreign and domestic utilization and discussed reports of missions by his Department to Europe, Asia, and South America. He also spoke on domestic outlets and presented a breakdown, for the record, of the disposition of CCC stocks.

The second witness was Ira D. Beynon, Director of Real Property Management, Office of the Assistant Secretary of Defense. Mr. Beynon stated that if any of the proposed measures under discussion were enacted, foreign currency, thus acquired, could well be used for construction of family housing for American troops overseas. He added that while his Department did not wish to enter into discussing the merits or desirability of methods of disposition of farm surpluses, it should be pointed out that should counterpart funds be made available for construction of family housing for American troops, the Government would then receive benefits of quarters allowance, made available to men with families, and that, in time, payments would accrue to the Federal Government from the disposal of farm surpluses. Adjourned until tomorrow morning when Farm Bureau organizations will be represented.

MILITARY-NAVAL PUBLIC WORKS

Committee on Armed Services: Representatives of the Department of the Air Force resumed testimony at today's executive hearings on H. R. 8726, the militarynaval public works bill. Today's witnesses were Col. J. F. Rodenhauser, Director of Installations; and Col. Oren Price and Maj. W. C. Jensen. John M. Ferry, Special Assistant for Installations, Office of the Air Force Secretary, also testified. Recessed until tomorrow morning when consideration of the Air Force section of the bill is expected to be completed.

TAFT-HARTLEY LAW

Committee on Education and Labor: Held general discussion on proposed revisions to Taft-Hartley Act. Made no announcement and will resume on same subject tomorrow morning.

FOREIGN OPERATIONS

Committee on Foreign Affairs: Resumed open hearings on the subject of foreign operations, with Harold E. Stassen, Director of the Foreign Operations Administration, discussing fundamental aspects of technical cooperation programs as background to consideration of Latin American programs. Other witnesses heard were Henry Holland, Assistant Secretary of State for Inter-American Affairs; and M. N. Hardesty, Special Assistant to Mr. Stassen. Recessed until tomorrow morning.

RECLAMATION

Committee on Interior and Insular Affairs: The Subcommittee on Irrigation and Reclamation considered H. R. 5301, to amend and supplement the reclamation laws to provide for Federal cooperation in non-Federal projects, and miscellaneous small reclamation projects (H. R. 4397, 4404, 4788, 4903, and 7847). Witnesses appearing in favor of today's subjects were Robert B. Crosby, Governor of Nebraska; Elmer Bennett, legislative counsel, Department of the Interior, who explained the Department's report; and C. Petrus Peterson, president, National Reclamation Association, who expressed views of that organization. Also heard three officials of the small projects committee, National Reclamation Association, as follows—John H. Bliss, chairman; T. W. Jensen, member; and Roy Whitacre, member. Two officials testifying for the Nebraska Mid-State Reclamation Association, were E. H. Staubitz, of Kearney, Nebr., director, and J. K. McKinney, of Grand Island, Nebr., secretary. Adjourned subject to the call of the Chair.

AGENDA

Committee on Interstate and Foreign Commerce: Various members of the committee spoke on bills which they have introduced in the 83d Congress and are presently pending before this committee.

Recessed until tomorrow when it will conduct public hearings on H. R. 7700, mortgage loan insurance for

hospital construction.

SHIP CONSTRUCTION

Committee on Merchant Marine and Fisheries: Resumed hearings on H. R. 8637, to facilitate private financing of new ship construction by the authorization of Federal mortgage and loan insurance. Testimony endorsing the proposal was received today from the following—Walter B. Saunders, Metropolitan Life Insurance Co., New York City; Geoffrey Azoy, vice president, Chemical Bank & Trust Co., New York City; William C. Laemmel, of the Chemical Bank & Trust Co., New York City; Walter Wriston, assistant vice president, National City Bank of New York; Jerome S. Katzin, of Kuhn, Loeb, New York City; and Ralph Dewey, Washington representative, Pacific American Steamship Association. Recessed until tomorrow on same bill when it will hear departmental representatives.

WATER POLLUTION

Committee on Public Works: Subcommittee on Flood Control held hearing on H. R. 8302, to extend to June 30, 1958, certain authorizations for appropriations of the Water Pollution Control Act. Witnesses testifying on this proposal were Leonard Dworsky, Assistant Chief, Water Pollution Control Division, Department of Health, Education, and Welfare; Stewart Brandborg, assistant conservation director, National Wildlife Federation; Michael Hudoba, Washington editor, Sports Afield magazine; and Randy Hamilton, Washington office director of the American Municipal Association.

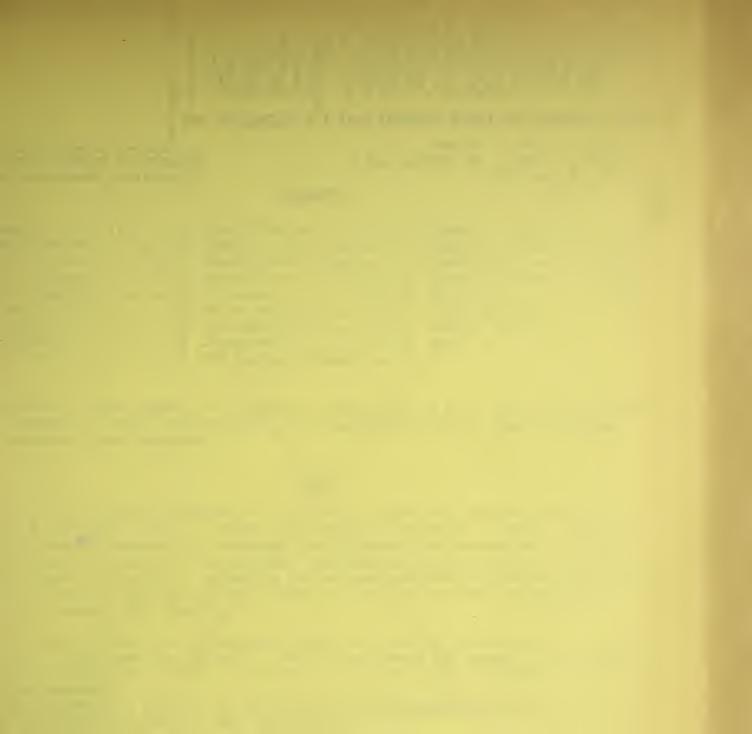
DEFENSE DEPARTMENT APPROPRIATIONS

Committee on Rules: Granted a rule waiving points of order against H. R. 8873, Defense Department appropriation bill for 1955. Representatives Wigglesworth, Scrivner, and Ford spoke on behalf of the legislation.

Adjourned until tomorrow morning when it will resume consideration of a rule on S. 2150, the St. Lawrence-Great Lakes seaway project.

COMMUNISM—LABOR

Committee on Un-American Activities: Announced that public hearings will be conducted Thursday morning to question witnesses regarding alleged communistic activities in the field of labor.





Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only) Issued April 29, 1954
For actions of April 28, 1954
83rd-2nd, No. 78

CONTENTS

Alaska9	Grain storagell	Sugar3
Appropriations1,8	Hawaii9	Surplus commodities14
GCC1	Legislative program7	Taxation
Civil defense15	Loans, farm21	Trade, foreign4,17
Dairy industry5	Personnel2,6,13	TVA
Education12	Price supports5	Water storagell
Electrification19	Soil conservation1,18,21	Weather control
ployment6	Statehood9,20	Wool
Expenditures10	St. Lawrence Seaway 16	1

HICHLIGHTS: Senate passed 3rd supplemental appropriation bill, agreeing to CCC and ACP increases. Senate passed Carlson personnel-benefits bill. Senate ratified International Sugar Agreement.

SENATE

- H. R. 8481 (pp. 5312-9). Senate conferees were appointed (p. 5319). Agreed to the committee amendments increasing the <u>CCC</u> administrative-expense limitation and providing funds for the Advisory Committee on <u>Weather Control</u>, as mentioned in Digest 73 (p. 5312). Agreed to the Bridges amendment to provide \$15,000,000 additional for <u>ACP</u> payments to farmers who carry out emergency <u>wind erosion</u> control measures (pp. 5315-8).
- PERSONNEL. Passed with amendments S. 2665, the Carlson "fringe benefits" bill for Federal employees (pp. 5321-31). The bill as passed was printed in the Record (pp. 5328-31). (For provisions of the bill see Digest 65.) Agreed to the following amendments:
 - By Sen. Russell, as modified, to authorize 550 supergrades instead of 700 as provided by the committee bill (pp. 5325-7).
 - By Sen. Carlson, to provide limits of 400 positions in grade 16, 115 positions in grade 17, and 35 positions in grade 18 (p. 5327).
 - By Sen. Russell, to repeal Sec. 6 of the 1953 leave law, which required the gradual reduction of annual-leave accumulations over 30 days (pp. 5324-5).
 - By Sen. Johnston, to make mandatory the payment of additional compensation on an annual basis (in lieu of hourly premium pay) for firefighters, investigators, etc. (pp. 5323-4).
- 3. SUCAR. Ratified, 60 to 16, the International Sugar Agreement (pp. 5332-9), 5342-52, 5355-6). By a vote of 74 to 2, agreed to a reservation offered by Sen. Dirksen to the effect that any amendment to the agreement must be ratified by the Senate (p. 5359).
- 4. FOREIGN TRADE. Sen. Malone urged additional control of imports and mentioned the

- wool pill in this connection. He also claimed we "give our crops away with no returns. (pp. 5339-42.)
- 5. PRICE SUPPORTS. Sen. Hennings was made a co-sponsor of S. 3169, to continue 90% dairy price supports temporarily (p. 5310).

 Sen. Young claimed that price reductions on basic commodities cause price reductions on other commodities and inserted a Wall Street Journal item to indicate this (p. 5342).
- 6. EMPLOYMENT. The labor and Public Welfare Committee reported without amendment S. 692, to prohibit discrimination in employment because of race, color, religion, national origin, or ancestry (S. Rept. 1267)(p. 5310).
- 7. LEGISLATIVE PROGRAM. The D. C. public works bill was made the unfinished business (p. 5360). Sen. Knowland indicated that this would be followed by amendments to the Taft-Hartley Act (pp. 5320-1).

HOUSE

- 8. DEFENSE APPROPRIATION BILL, 1955. Began debate on this bill, H. R. 8873 (pp. 5362-93).
- 9. STATEHOOD. Rep. Passman spoke in favor of statehood for Alaska and Hawaii (pp. 5393-6).
- 10. EXPENDITURES. Received a Kenosha (Wis.) Taxpayers, Inc., resolution urging retention of the present Federal debt limit and reduction of the debt by balancing the budget and reducing spending (p. 5400).

BILLS INTRODUCED

- 11. TAXATION. S. 3369, by Sen. Douglas, to amend the Internal Revenue Code so as to permit farmers to deduct from gross income certain expenditures incurred to provide water-storage facilities; and S. 3370, to make similar provision for grain-storage facilities; to Finance Committee (p. 5310).
- 12. EDUCATION. H. R. 8916, by Rep. Jones, Ala., to remove the requirement for automatic periodic reduction of the education and training allowances of veterans pursuing on-the-job training or institutional on-farm training under the Veterans' Readjustment Assistance Act of 1952; to Veterans' Affairs Committee (p. 5400).
- 13. PERSONNEL. H. R. 8917, by Rep. LeCompte, to permit and assist Federal personnel to vote; to House Administration Committee (p. 5400).
- 14. SURPLUS COMMODITIES. H. R. 8920, by Rep. Perkins, to provide for assistance of needy persons by the delivery to the States of <u>price-support wheat</u>; to Agriculture Committee (p. 5400).
- 15. CIVIL DEFENSE. H. J. Res. 510, by Rep. Howell, to constitute the Federal Civil Defense Administration an executive department within the Department of Defense; to Government Operations Committee (p. 5400).

ITEMS IN APPENDIX

16. ST. LAWRENCE SEAWAY. Extension of remarks of Rep. Van Zandt opposing this project (p. A3068). He also inserted a newspaper editorial on this subject (p. A3070).

ginia. He is widely known throughout the State, visits his extensive properties frequently, and is very highly esteemed. When he is not in West Virginia, he is at his home in Boston, where, being only 93 years old, he never takes a taxicab, but walks every morning from his home on Beacon Street to his office in downtown Franklin Street.

Dr. Cabot has devoted himself extensively to the public service in addition to his business career. He was president of the National Aeronautical Association, which was very instrumental in passage of the Air Commerce Act of 1925. He was president and remains honorary president of the Federation Aeronautique Internationale, which, as many of us know, is the organization which keeps the official worldwide records for aviation of all countries.

Dr. Cabot was 55 years old when, in World War I, he took his flight training alongside men 35 years younger and won his Navy wings. His public service has increased rather than diminished. Recently he is a member of the Postal Affairs Task Force of the Hoover Committee on Reorganization of the Government, which strongly recommended that a separation be made between airline subsidies and compensation for the cost of carrying air mail, a recommendation which would be carried out by the enactment of S. 1360 introduced by the distinguished junior Senator from Massachusetts [Mr. KENNEDY], myself, and numerous Senators of both parties.

Dr. Cabot, who is certainly the dean of elderly statesmen in aviation in this country, has written that the present airline subsidy practice is "the most deadly way of delaying progress in this extremely important field which could reasonably be devised." I believe we would do well to listen to the words of this wise man and to change this system which gives the most in subsidies to the company which looses the most, and with the help of the junior Senator from Massachusetts and many Senators from both parties I hope this reform that Dr. Cabot has so frequently recommended will be enacted.

Mr. President, I ask unanimous consent to insert in the Record at this point an article concerning Dr. Cabot which appeared in the "Harvard Alumni Bulletin" of April 17, 1954. I will say to my distinguished colleagues in the Senate,

Mr. President, that I hope they will be half as active and half as alert and half as wise when they reach 93 as is Dr. Cabot.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

A PROPHECY FULFILLED

Having reached his 93d birthday, Godfrey L. Cabot, 1882, doctor of laws, 1952, probably the oldest active businessman in the city of Boston, has decided to relinquish the presidency of the great chemical manufacturing company which bears his name. He has turned that office over to his son—Thomas D. Cabot, 1919—but he himself is retaining the chairmanship of the board. His dally brisk walk from his home on Beacon Street to his downtown office continues.

Godfrey L. Cabot, Inc., is engaged in the manufacture of carbon black, a field Cabot entered in Pennsylvania back in the eighties, not long after graduate study in geology in Zurich, Switzerland.

Another of Cabot's special interests is aviation. One of the first men to appreciate the implication of the heavier-than-air flight of the Wright brothers, he has flown every type of modern airplane except the jet. He is honorary president of the Aero Club of New England and of the Federation Aeronautique Internationale.

He likes to remember a remark of his father, Dr. Samuel Cabot, when he himself was a boy of 12: "Man is going to fly, and when he flies he will fly farther and faster than the birds. Man is not a fast runner, but he has outrun all aminmals with his steam locomotive. He is a very slow swimmer, but he has outswum all the ceteceans and fish with his steamboat. I don't expect to see it (the flying age) but you will."

Mindful, perhaps, of C. S. Bushneil, of New

Haven, who built the Monitor that defeated the Confederate Merrimac in 1862, Cabot made numerous attempts to build for the Government a torpedo-carrying plane in Having learned to fly 2 years before that, at the age of 55, he had devoted much of the Intervening time to selective recruiting for the United States Air Force, so that it might comprise the group of highly intelligent officers and men that Cabot thought essential. He had great difficulty in getting a hearing for his torpedo-carrier, for he soon found that he would need official endorsement in order that any factory might devote its time and facilities to the project. nally, in May 1918, a letter on the matter from Rear Admiral Fiske, written 4 months before, was answered by Secretary of the Navy Josephus Daniels: "the possibility of obtaining satisfactory results from the proposed scheme is so slight as not to warrant the expenditure of the time and talent required for its development."

So the torpedoplane was left for Great Britain to develop; but Cabot's interest in flying did not lag. That same year, he cuiliminated a series of experiments in picking up cargo from a moving plane, when he personally "picked up 155 pounds in full flight from a moving sea sled in Broad Sound near Shirley Gut. I soared with it to a height of about 150 feet and then cast loose the elastic rope to which it was attached and recovered it later."

The practical application of these experiments would, he hoped, make possible fueling three-engined bombers on their way to Europe, for the best of them could not make so long a hop with a capacity cargo of

A generous benefactor to several educational institutions, Cabot has given \$1 milion to Norwich University, of which he is a trustee. He established the Maria Moors Cabot prizes in journalism at Columbia; and to the Massachusetts Institute of Technology, of which he is a life member of the corporation, he has given nearly three-quarters of a million dollars. In addition, he has given generously to Northeastern University, of which he is also a corporation member; a reading room at Northeastern is named in his honor. Among his gifts to his own alma mater, which he serves as a Harvard fund class agent and as secretary of his college class, is the Maria Moors Cabot Foundation for Botanical Research (originally \$678,000), established in 1937 primarily "to increase the capacity of the earth to produce fuel by the growth of trees and other plants."

Cabot was married in 1900 to Maria B. Moors. They had 5 children—4 sons and 1 daughter. Their youngest son, John M. Cabot, 1923, is the newly appointed Ambassador to Sweden. The oldest son, James Jackson Cabot, 1913, died in 1930. There are 14 grandchildren and 18 great-grandchildren.

RECESS

Mr. KNOWLAND. Mr. President, I move that the Senate stand in recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 5 o'clock and 53 minutes p. m.) the Senate took a recess until tomorrow, Thursday, April 29, 1954, at 12 o'clock meridian.

NOMINATION

Executive nomination received by the Senate April 28 (legislative day of April 14), 1954:

' IMMIGRATION AND NATURALIZATION SERVICE

Joseph May Swing, of California, to be Commissioner of Immigration and Naturalization, vice Argyle R. Mackey.

House of Representatives

WEDNESDAY, APRIL 28, 1954

The House met at 11 o'clock a. m. The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art acquainted with all our needs grant that in our moments of prayer we may be blessed with a more vivid and vital sense of the great moral and spiritual realities.

May nothing darken or eclipse our vision of the nobility and strength of character we may attain unto if we believe in that which is good and follow it faithfully and courageously.

We pray that Thy divine spirit may discipline and give direction to the many and varied impulses and tendencies which seek to find lodgment in our souls.

Help us to appreciate and understand more fully that the secret of a happy and victorious life is that of a mind and heart centered upon and controlled by lofty ideals and principles.

In Christ's name we offer our prayer. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2911. An act to provide for the development of a sound and profitable domestic wool industry under our national policy of expanding world trade, to encourage increased domestic production of wool for our national security, and for other purposes.

The message also announced that the Vice President has appointed Mr. CARLson and Mr. Johnston of South Carolina members of the joint select committee on the part of the Senate, as provided for in the act of August 5, 1939, entitled "An act to provide for the disposition of certain records of the United States Government," for the disposition of executive papers referred to in the report of Archivist of the United States numbered 54-12.

SPECIAL ORDER GRANTED

Mr. JAVITS asked and was given permission to address the House for minutes today, following the legislative business of the day.

CORRECTION OF ROLLCALL

Mr. RADWAN. Mr. Speaker, on rollcall No. 3, I am recorded as not voting. I was present and voted "aye."

On rollcall 54, the Record omits my name as being absent. I was absent from that rollcall.

I ask unanimous consent that the permanent RECORD and Journal on these rollcalls may be corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO SIT DURING GENERAL DEBATE

Mr. McGREGOR. Mr. Speaker, I ask unanimous consent that the Subcom-mittee on Roads of the Committee on Public Works may sit during general debate this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

DEPARTMENT OF DEFENSE APPRO-PRIATIONS, 1955

Mr. ALLEN of Illinois. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 516.

The Clerk read the resolution, as follows:

Resolved, That during the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, all points of order against the bill or any provisions contained therein are hereby waived.

Mr. ALLEN of Illinois. Mr. Speaker, I yield 30 minutes to the gentleman from Virginia [Mr. SMITH] and to myself such time as I may require.

The SPEAKER. The gentleman from Illinois is recognized.

Mr. ALLEN of Illinois. Mr. Speaker, I rise to urge the adoption of House Resolution 516, which will make in order the consideration of the bill (H. R. 8873), making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Mr. Speaker, all this rule does is to waive points of order against the bill. It is a very simple rule and I hope that the House membership will adopt it.

This appropriation bill, Mr. Speaker, would if passed appropriate \$5,632,614,-500 less than was appropriated for fiscal year 1954. If it is passed in its present form, it would also represent a saving of \$1,206,348,500 over what the budget estimate for 1955 had been.

I think that we will all agree that the Appropriations Committee is to be congratulated for the time and effort that they have expended on this bill, and the figures which they have come out with, I think represent the proof of the outstanding job that this committee has done.

Mr. SMITH of Virginia. Mr. Speaker, I do not expect to consume any particular amount of time except to say that this resolution simply waives points of order on certain legislative provisions in the bill. I have gone over those provisions and I find they are all aimed at economy and better efficiency and has resulted in the elimination of some of the waste that has been going on in the Armed Forces.

The committee, in my opinion, has done a splendid job on this bill and on the legislative provisions. It is a meritorious bill and should be adopted.

Mr. PRICE. Mr. Speaker, will the

gentleman yield?

Mr. SMITH of Virginia. I yield to the

gentleman from Illinois.

Mr. PRICE. The gentleman from Virginia has stated that these legislative provisions all result in economy and better efficiency. I do not think all of them are aimed at better efficiency. They may be aimed at economy. There is one in particular I have in mind that will result in decreased efficiency in connection with the training of our Air Force pilots. During general debate this matter will be discussed further. The gentleman is right with that one excep-

Mr. SMITH of Virginia. The gentleman from Illinois understands, of course, that he can discuss that matter in general debate and that it may be corrected by amendment, if necessary,

Mr. PRICE. I just wanted to bring that out because it is important to the future of our Air Force and I hope the Members will give some consideration to it when we reach that point in the consideration of the bill.

Mr. SMITH of Virginia. It will be thoroughly considered, I am sure, when that point is reached.

Mr. ALLEN of Illinois. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered, The SPEAKER. The question is on the resolution.

The resolution was agreed to.

HOUR OF MEETING TOMORROW

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at 11 o'clock tomorrow.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

CALL OF THE HOUSE

Mr. SCRIVNER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously a quorum

is not present.

Mr. HALLECK. Mr. Speaker, I move

a call of the House.

A call of the House was ordered. The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 56]

Aspinali	Fine	Powell
Barrett	Frazier	Preston
Battle	Gamble	Rayburn
Bender	Garmatz	Reece, Tenn.
Boykin	Gordon	Reed, Ill.
Camp	Gubser	Richards
Carlyle	Haley	Rivers
Celler	Hart	Roberts
Chatham	Holifield	Roosevelt
Chelf	Jenkins	Saylor
Clardy	Kearney	Shafer
Cooley	Kersten, Wis.	Sleminski
Crosser	King, Calif.	Sutton
Dawson, Ill.	Knox	Thompson,
Dingell	Landrum	Mich.
Dollinger, N. Y.	Lantaff	Tuck `
Donovan	McDonough	Velde
Doyle	Martin, Iowa	Walter
Edmondson	Morrison,	Weichel
Engle	Murray	Wilson, Tex.
Fallon	Norblad	Yorty
Felghan	O'Konski	

The SPEAKER. On this rollcall 364 Members have answered to their names. a quorum.

By unanimous consent, further proceedings under the call were dispensed

PUBLIC WORKS COMMITTEE

Mr. DONDERO. Mr. Speaker, I ask unanimous consent that the Subcommittee on Flood Control of the Public Works Committee of the House may have permission to sit this afternoon during general debate.

The SPEAKER. Is there objection to the request of the gentleman from

Michigan?

There was no objection.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

Mr. WOLVERTON. Mr. Speaker, I ask unanimous consent that the Committee on Interstate and Foreign Commerce may have permission to sit during general debate on the pending bill today.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

SPECIAL ORDER GRANTED

Mr. KLUCZYNSKI asked and was given permission to address the House for 1 hour on May 3, following any special orders heretofore entered, on Polish Constitution Day.

DEPARTMENT OF DEFENSE APPRO-PRIATION BILL, 1955

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consider-

ation of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate run throughout the day, the time to be equally divided and controlled by the gentleman from Texas [Mr. Mahon] and myself.

The SPEAKER. Is there objection to the request of the gentleman from Mas-

sachusetts?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent that all members of the subcommittee in charge of this bill may have the right to extend their own remarks and include extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from Mas-

sachusetts?

There was no objection.

The SPEAKER. The question is on the motion offered by the gentleman from Massachusetts [Mr. WIGGLESWORTH].

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 8873, with Mr. McCulloch in the chair.

The Clerk read the title of the bill. By unanimous coinsent, the first read-

ing of the bill was dispensed with. Mr. WIGGLESWORTH. Mr. Chair-

man, I yield myself 55 minutes. Mr. Chairman, the bill which your

Committee submits to you at this time is the largest appropriation bill during the current session of the Congress. It carries a total of \$28.6 billion, about 54 percent of the entire budget. It is submitted to you after about 3 months of detailed examination, including consideration of some 30 volumes of justifications reflected in hearings with some 3.700 pages.

It has been considered by a subcommittee of 9 which in turn in so far as details are concerned was broken down into 3 subcommittees, dealing respectively, with the Army, the Navy, and the

Air Force.

At the outset I want to express my thanks to the other members of the subcommittee; to the gentleman from Kansas [Mr. Scrivner], chairman of the Subcommittee on the Air Force; to the gentleman from Michigan [Mr. FORD], chairman of the Subcommittee on the Army; to the gentleman from Maryland, [Mr. Miller]; to the gentleman from New York, [Mr. OSTERTAG]; to the [Mr. gentleman from Nebraska HRUSKA]; to the gentleman from Texas [Mr. Mahon], the former chairman of the full subcommittee; to the gentleman from California [Mr. SHEPPARD]; and to the gentleman from Florida [Mr. SIKES].

We have all worked together for a common end and I am grateful for their consideration and cooperation.

I also want to express my thanks to the able members of our clerical staff, to Corhal Orescan, executive assistant of the committee; to Paul Wilson, Samuel Crosby, and Robert Michaels, executive

assistants of the subcommittees on the Navy, the Air Force, and the Army; and to Earl Silsby, assistant clerk of the committee. Their help has been invaluable.

I also express my appreciation to the committee investigators, analysts, and consultants, including outstanding businessmen, representatives from the general accounting office and others, under the leadership of our chief investigator, Harris Huston, whose recommendations I am sure will contribute greatly to efficiency and economy in the long run.

Mr. Chairman, under present conditions, no country in the world can be certain of 100 percent airtight security. That day is past. But we have determined to build the nearest thing to it that is possible. We are building tremendous offensive and defensive power.

Any potential enemy must know that if it launches a war against us it will bring down upon itself fearful and immediate retaliation. Any potential en-emy must know that it is foolhardy to start a war against us.

At the same time, Mr. Chairman, the new defense program reflects heartening progress toward economy and efficiency. There is no patience with the idea that it is proper to waste billions just because it is done in the name of national defense. If America is to remain strong for the long pull, defense dollars must be spent as carefully and as wisely as any other Government dollars.

The action of the Defense Establishment is paying off, not only in dollars saved but in growing military muscle. A defense establishment that is bogged down in waste and inefficiency cannot strike fast and hard when the time

comes.

Mr. Chairman, I have been a frequent critic of the armed services. I have criticized them, as the Members of this House know, for lack of proper organization, for lack of proper business methods, for lack of proper control over vast funds entrusted to them, and for gross waste and extravagance.

I am happy to report to this House and to the country today that in my opinion there has been made tremendous progress in the past 15 months in determining our military policy and in organizing the Defense Department for efficient and economical operation.

As a result of this progress we have today force goals unanimously approved by our military leaders of outstanding capacity.

As a result of this progress we are able to implement those goals by an expenditure in fiscal 1955 of about \$35.9 billion, or \$6 billion less than required in fiscal 1953, and by new appropriations carried in this bill amounting to \$28.6 billion, or \$16 billion below the sum appropriated 2 years ago for fiscal 1953.

These reductions, Mr. Chairman, are largely responsible for the \$7.4 billion tax reduction which the House has already voted this year, the largest tax reduction in any year in the history of this Nation.

Secretary Wilson, Deputy Secretary Kyes, whose return to private life at this time I deeply regret, and others close to them, in my judgment have been making a magnificent contribution not only to our armed services but to the solvency and strength of America and the entire free world.

Mr. Chairman, I think most of us are familiar in a general way with the military program which this bill is designed to finance.

It contemplates an overall military force as of June 30, 1955, of 3,046,000. This is a reduction in terms of average strength between fiscal 1954 and fiscal 1955 of about 234,000. It leaves us, however, with a force which is about double the force we had just prior to entry into the war with Korea.

It contemplates an Army of 1,172,000 as compared with 593,000 prior to the Korean war, an Army of 17 divisions, 18 regiments and regimental combat teams, and 122 antiaircraft battalions; an Army some 2 divisions smaller than in the current fiscal year, a decrease partially offset, however, by an increase in the National Guard, amounting to 2 divisions, 11 antiaircraft battalions, and 3 other combat battalions.

It contemplates a Navy of 689,000 as compared with 382,000 prior to Korea, a Navy with 1,060 ships in the active fleet and with 1,400 in the inactive fleet, and operating aircraft numbering just under 10,000, as compared with 600 ships in the active fleet and about 9,000 planes prior to Korea.

It contemplates a Marine Corps of 215,000 with three full-strength divisions and 3 full-strength air wings as compared with 2 divisions and 2 air wings prior to Korea.

It contemplates an Air Force of 970,-000 as compared with 411,000 prior to Korea with an active aircraft inventory just under 23,000 as compared with 12,-295 prior to Korea.

In terms of wings, it contemplates an increase from 98 15 months ago when Secretary Wilson took over to 115 as of June 30 next, to 121 as of June 30, 1955, on up to 137 as of June 30, 1957. At the time of the outbreak of the war in Korea, we had 48 wings.

It also contemplates an increase all along the line in terms of Reserves and National Guard for the Army, Navy, Marine Corps and Air Force from about 621,000 as of June 30 last to 832,100 as of June 30, 1955.

It is made with the knowledge that there are some 4 million experienced persons in civilian life who would be eligible to serve in the event of necessity.

Under leave to extend my remarks, I include at this point in the RECORD 2 tables, 1 entitled "Military Personnel Strengths," the other entitled "Reserve Component Personnel in Drill-Pay Status."

Military personnel strengths

[In thousands]

		Projected					
	Actual, December 1953 June 195	er		Average strengths			
		June 1954	June 1955	Fiscal year 1954	Fiscal year 1955		
Type of personnel: Officers Enlisted personnel	358. 9 3, 026. 9	364. 5 2, 945. 4	359.3 2, 672.9	364.9 3,051.3	364. 1 2, 820. 0		
SubtotalOfficer candidates	3, 385. 8 17. 1	3, 309. 9 17. 9	3, 032. 2 14. 4	3, 416. 2 18. 3	3, 184. 1 16. 8		
Total	3, 402. 9	3, 327. 8	3, 046. 6	3, 434. 5	3, 200. 9		
Total personnel by service: Army	1, 481. 2 765. 4 243. 8 912. 5	1, 407. 2 740. 6 225. 0 955. 0	1, 172. 7 688. 9 215. 0 970. 0	1, 472. 1 771. 2 241. 5 949. 2	1, 308. 6 712. 4 220. 0 960. 0		

Reserve component personnel in drill-pay status

[In thousands]

	Actual			Projected				
	T	Decem-		Decem-	_		Average strength	
-	June	ber	June	ber	June	June	Fiscal year	Fiscal year
	1950	1952	1953	1953 ¹	1954	1955	1954	1955
Total, Department of Defense	838. 8	534. 0	578. 0	621.6	719. 0	832.1	644.9	775.0
Department of the Army: National Guard Army Reserve Department of the Navy:	326.1	228. 0	256. 0	277. 0	300. 0	325. 0	277. 0	312. 0
	186.5	126. 0	117. 0	129. 0	168. 0	202. 0	142. 0	185. 0
Naval Reserve Marine Corps Reserve Department of the Air Force:	182.8	128. 2	136. 0	135. 0	147. 4	161.6	140. 2	154. 5
	39.9	13. 7	19. 7	23. 4	30. 5	42.3	25. 1	36. 4
National Guard Air Force Reserve	45.1	26. 9	35. 6	40. 3	50. 7	65. 7	42. 5	58. 2
	58.4	11. 2	13. 7	16. 9	22. 4	35. 5	18. 1	28. 9

¹ Preliminary.

Note.—Data furnished by Office of Assistant Secretary of Defense (Comptroller).

The program has been determined in the light of world conditions, in the light of the strength of potential enemies and of our allies, in the light of the cease-fire in Korea, and the buildup of the South Korean forces, in the light of improved utilization of manpower, and of the enormous increase in firepower from modern weapons.

It is based on the essential strength to deter allout war. It is based on essential strength to deal with less serious situations.

To quote Admiral Radford, our very able Chairman of the Joint Chiefs of Staff:

Our military task consists of two requirements. We must be ready for tremendous, vast retaliatory, and counteroffensive blows in the event of global war, and we must also be ready for lesser military actions short of allout war.

Our planning does not subscribe to the thinking that the ability to deliver massive atomic retaliation is by itself adequate to meet all our security needs. It is not correct to say we are relying exclusively on one weapon or on one service, or that we are anticipating one kind of war. I believe that this Nation could be a prisoner of its own military posture if it had no capability other than one to deliver a massive atomic attack.

It should be evident from the forces we intend to maintain that we are not relying solely upon airpower. We shall continue to have over a million men in our Army, and we shall continue to have a Navy that is second to none. We have never before attempted to keep forces of this size over an indefinite period of time.

Mr. Chairman, it is repeatedly emphasized in the hearings that despite budget and manpower cuts, increased combat effectiveness is possible. If I may quote from Admiral Radford's own words:

When you improve your weapons and equipment as greatly as we have in the past decade, you are bound to create a greater combat power even with less manpower.

Mr. Chairman, this military program has the unanimous endorsement of the Joint Chiefs of Staff of the National Security Council, and of our great President of the United States with his vast military experience and knowledge of world conditions.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I am glad to yield to my colleague from Massachusetts.

Mr. McCORMACK. In connection with the statement just made that it has the unanimous recommendation of the Joint Chiefs of Staff, does the gentleman know whether or not it was the original recommendation of the Joint Chiefs of Staff?

Mr. WIGGLESWORTH. I know that each member of the Joint Chiefs of Staff and also General Shepherd, the Commandant of the Marine Corps, appeared before our committee and stated that the program outlined has the unanimous endorsement of the Joint Chiefs of Staff.

Mr. McCORMACK. Was any inquiry made as to whether or not the Joint Chiefs of Staff had sent up to the Secretary of Defense and the National Security Council any other recommendation in relation to the Army and Navy,

particularly the Army?
Mr. WIGGLESWORTH. I do not know specifically what the gentleman has in mind. I think as a general rule in respect to every appropriation bill that comes before the Congress there is discussion of different figures before final

figures are arrived at.

Mr. McCORMACK. My understanding was that a much higher budget recommendation was sent to the Joint Chiefs of Staff and that it was sent back by the Secretary of Defense, with orders to reduce. Take the matter of the 137-wing Air Force which we Democrats fought for last year; that meant larger appropriations, yet they had to keep it within a certain mandated figure, and that is how we got the reduction in the That is my understanding, and I Army. would like to have some information on it, because it certainly ought to be explored.

Mr. WIGGLESWORTH. I will say to my friend from Massachusetts that over the course of a great many years the original figures requested have not been the final figures settled upon, in most instances. All I know is that we have the unanimous endorsement of the pro-

gram I have referred to.

Mr. McCORMACK. I think the gentleman certainly is correct that it is now a unanimous recommendation, but I certainly challenge the gentleman's statement that the original recommendation was unanimous. I have information that it was not the original recommendation of the Joint Chiefs of Staff, and that when it got to the Secretary of Defense he ordered it sent back with orders to reduce.

WIGGLESWORTH. I do not Mr. think I can add anything to what I have already stated. I think that over the years, as the gentleman remembers, many original requests submitted have been reduced before presentation to the Congress. Just what the facts are in that respect on this occasion I cannot state.

Now Mr. Chairman, if the Members will look at page 2 of the committee report they will see that the budget request to implement this program was \$29.8 billion. This figure compares with \$34.3 billion in the current fiscal year and \$44.7 billion in fiscal 1953.

Your committee recommends an appropriation of \$28.6 billion, a reduction of \$1.2 billion, or just about 4 percent.

Of that \$1.2 billion, \$665 million represents what may be called the cooperative efforts of the committee and the administration—in other words, reductions which have either been volunteered or agreed to since the start of the hearings-leaving a balance of \$541 million. or a little less than 2 percent of the overall request.

In addition, your committee recommends recisions to the extent of \$1.6 billion, with which the armed services are in accord.

In addition to this, there might well be included, although it is not mentioned in the committee report, an item of \$250 million heretofore carried as a contingent item for reserve facilities and tools, against which nothing has been drawn in the current fiscal year, in respect to which there are no plans to draw anything in the fiscal year 1955, and for the purpose of which funds are available if necessary in the appropriations of the

three armed services. Your committee has discontinued the availability of that \$250 million.

Under leave to extend my remarks. I include at this point in the RECORD, the table on page 2 of the committee report:

Summary of appropriations

	A	m 1 - 1 - 1	Recom-	Bill compared with—	
Title	Appropria- tions, 1954	Budget esti- mates, 1955	mended in bill, 1955	Appropria- tions, 1954	Budget esti- mates, 1955
Title I—National Security Training Commission Title II—Office of the Secretary of Defense Title III—Interservice activities Title IV—Department of the Army Title V—Department of the Navy Title VI—Department of the Air Force Total	9, 438, 310, 000 11, 168, 000, 000	13, 500, 000 547, 500, 000 8, 211, 000, 000 9, 915, 000, 000 11, 200, 000, 000	12, 500, 000 527, 500, 000 7, 615, 523, 000 9, 705, 818, 500 10, 819, 310, 000	-\$750,000 -228,800,000 -5,321,883,000 +267,508,500 -348,690,000	-20,000,000 -595,477,000 -209,181,500

¹ Excludes \$58,000,000 for civilian relief in Korea.

Note.—In addition to the above reduction, the following reseissions are made:
Procurement and production, Army, \$500,000,000.
Stock funds \$550,000,000, as follows: Army, \$300,000,000: Navy, \$200,000,000: Marine Corps, \$25,000,000: Air Force, \$25,000,000.

If you will turn to page 4 of the committee report you will notice two brief tables. The one at the bottom of the page deals with unexpended balances, the one at the top of the page deals with unobligated balances.

Under leave to extend my remarks, I include at this point in the RECORD the tables referred to:

EXPENDITURE SUMMARY

Funds available for expenditure and expenditures by the Department during fiscal years 1953, 1954, and 1955 are given below:

[In millions]

Fiscal year	Unex- pended carry- over	New avail- ability	Trans- fers (net)	Total avail- able	Expend- itures
1953	1\$54, 798	\$44, 740	-\$730	\$99, 538	\$41,739
1954 ²	1 57, 111	34, 261		90, 642	39,939
1955 ²	1 48, 147	28, 727		76, 874	(3)

Obligations summary

(In millions)

Fiscal year	Unobligated carry-	New author- ity	Reimburse- ments and transfers (net)	Total avail- able	Obliga- tions
1953	1 \$4, 034	\$44, 602	\$1,975	\$50, 611	\$43,640
1954 ²	1 6, 129	34, 233	2,044	42, 406	31,292
1955 ²	1 9, 348	28, 681	1,757	39, 786	(3)

¹ Exclude amounts which lapse.

Attention is called to the fact that for both fiscal years 1954 and 1955 the latest available obligation estimates are used in the above tabulation. The original obligations for 1954 as contained in the printed budget amount to \$34,133 million, as compared with the \$31,292 million shown above.

The unobligated carryover into fiscal year 1955 is budgeted at \$6,639 million, with total obligations of \$35,710 million. The latest reports from the Department indicate that the unobligated carryover into 1955 will be \$9,348 million, with obligations estimated at \$38,168 million. The committee is informed that the increase in the estimated carryover into 1955 results primarily from the deobligation of obligations formerly recorded on the basis of letters of intent, etc., in order to conform with a determined concept of legal obligations following an audit by the General Accounting Office. A certain presently indeterminable amount was also deobligated because of contract cancellations due to reprograming. The total of such deobligations during 1954 is estimated at \$2,581 million.

It is the view of the Department that actual programs for both fiscal years 1954 and 1955, involving obligations of approximately \$70 billion, have not been materially affected by the lag during 1954 and that in the final analysis this 2-year program will be Obligations for 1955 will be reduced by

an amount not precisely determinable at this time, based on committee reduction of \$1,203 million in funds requested.

If you will follow the figures in the expenditure summary you will see that in addition to the \$28.6 billion recommended by your committee, there will be available as a result of unexpended funds carried over into fiscal 1955 the sum of \$48.1 billion, giving a total available for the fiscal year of \$76.8 billion. If you subtract the \$35.9 billion, the budget estimate for expenditures in the footnote just below the table, from that \$76.8 billion, you will see that there is an estimated \$40.9 billion which will carry over into fiscal 1956.

The obligation summary indicates that of the \$40.9 billion, about \$2.7 billion will be unobligated.

Tables furnished the committee give a similar picture with respect to each of the three branches of the armed services.

I repeat, Mr. Chairman, that the program now under consideration calls for an expenditure in the fiscal year 1955 of \$6 billion less than in 1953 and for an appropriation at this time of \$16 billion less than that for 1953.

What has taken place to make these reductions possible? What has happened in the last 15 months that has taken us thus far along the road to efficiency and economy?

Exclude amounts which lapse.
 Estimate.
 Budget estimate of \$35,955 million will be reduced by an amount indeterminable at this time, based on committee reduction of \$1,203 million in funds requested.

² Estimate.
3 Budget estimate is \$35,710 million.

Secretary Wilson says:

It is hard to point out some things because real progress is made by doing thousands of things better.

He says:

There is economy in planning, economy in programing, and economy in operation.

He says further:

The objective is to achieve more defense for every dollar spent.

And:

There is no fallacy in this idea. It is being achieved and more can and will be accomplished.

Mr. Chairman, if you want an example or two of more-defense-for-every-dollar-spent, I may mention the Air Force that the gentleman from Massachusetts [Mr. McCormack] referred to.

The Air Force is going to have 115 fighter wings by June 30, 1954, instead of 110. It is going to have 120 by June 30, 1955 instead of 115. And, Mr. Chairman, it is going to operate those 115 wings available June 30, 1954, with 76,000 less personnel than it was thought would be required a year ago this time.

If you want another example, I may cite the Marine Corps, where there is an over-all reduction of 10,000 people in fiscal 1955 in contemplation. Despite that reduction, the Fleet Marine Force is going to be increased by 6,300. In other words, the fighting force goes up 6,300, and they have found about 16,300 persons in other capacities that can be dispensed with.

I might also mention the MSTS, which is effecting a saving of about \$250 million a year as the result of the application of business methods, leading to substantial reductions in rates, for both passenger and freight traffic.

Now, Mr. Chairman, I am not going to attempt to go into detail as to what has been accomplished toward economy and efficiency in the last 15 months, but I do, before closing, want to refer to a few of the points which appear to be outstanding from the record.

First. Under the Reorganization Act, organizational lines and responsibilities have been clarified in the hands of 9 Assistant Secretaries of Defense and a general counsel of equivalent rank under Secretary Wilson and Deputy Secretary Kyes.

Second. The Munitions Board, the Research and Development Board, the Air Force Medical Policy Council, and the Management Committee have been eliminated as the result of which the use of boards to perform executive responsibilities under the Secretary of Defense have been eliminated.

Third. Of 365 boards, committees, and subcommittees operating on February 28, 1953, under various agencies of the Office of the Secretary of Defense, employing in addition to staff some 4,290 part-time workers, 208, or almost two-thirds of them, employing 2,265 part-time workers, have been eliminated. A further decrease in this field is anticipated.

Fourth. The administrative structure of the three armed services has been reviewed and improved.

Fifth. Civilian personnel in the first 11 months was reduced to the extent of 150,357 persons.

Sixth. Military personnel has also been reduced partly as the result of a review of more than 5,000 tables of organization which disclosed no less than 160,000 noncombat spaces, 91,000 of which were transferred to active duty, 69,000 of which were eliminated.

Seventh. Secretary Wilson reports that equipment and construction of base programs were out of phase with personnel and training programs and that the realinement of programs made possible a very sizable reduction in the requirements for new money.

Eighth. He refers also to the increased use of stock funds and industrial funds with savings to the country.

Ninth. He refers to Operation Clean-Sweep—an operation set up to expedite the disposal of the enormous quantities we now have on hand of surplus property.

Tenth. Finally, Mr. Chairman, I want to refer to one other matter which, to me, as a member of the Appropriations Committee, is of particular significance. Secretary Wilson says:

Management of the huge inventories of equipment and supplies has been a particularly troublesome problem for years.

The lack of adequate financial control in this area has been particularly costly.

Although the Navy has employed a financial property accounting system for years, the Army and Air Force have not.

Special attention is now being given to the establishment of such systems in both the Army and the Air Force.

Listen for a moment to Mr. Pearson, Deputy Under Secretary of the Army, in this connection:

No one knows the value of Army inventories. The total on hand and on order is probably between \$35 billion and \$40 billion—equivalent in value to the total of all inventories of all retailers of all things in the United States.

The Army has had no accounting means of regularly ascertaining the value of its inventory assets.

In short, it did not possess even the most rudimentary records with which to measure progress and to defend programs.

Nor did it utilize any of the modern methods in fiscal control of inventories and related procurement actions.

Mr. Chairman, I am glad to be able to report that the Army expects to have a system in effect by June 30 next under which it will receive monthly reports, within 30 days of the conclusion of the month, broken down into 315 categories, in respect to all items on hand and on order for every bulk station worldwide.

I am also happy to report that the Air Force is engaged in similar work and that it expects to have a financial property accounting system in operation by the end of the calendar year.

Under leave to extend my remarks, I include at this point in the Record a letter addressed to me under date of April 21, 1954, by Assistant Secretary White, of the Air Force:

DEPARTMENT OF THE AIR FORCE, Washington, April 21, 1954. Hon. Richard B. Wigglesworth,

Committee on Appropriations, House of Representatives.

DEAR MR. WIGGLESWORTH: Last week, when we were discussing the spare parts situation, I mentioned briefly the work we are doing to improve our supply management. You asked me to describe the new dollar inventory control procedures and tell you what additional data you will have with which to

better appraise our supply activity and position at any time.

We began a program in January 1953 to actually install dollar inventory accounting in the Air Force. As of April 1, 1954, this system was installed in all Air Force depots within the continental United States and in all Air Force bases worldwide. It will include all inventories of supplies in Air Force warehouses held by depot supply officers and base supply officers as available to Air Force activities for either consumption or use. Financial statements are to be taken from the records showing the following information in detail down to individual property class (administrative segregation of homogeneous groupings of like items) level: Beginning inventory; additions to the inventory by source; withdrawals from the inventory by disposition; adjustments to the inventory; and ending inventory position.

As far as the on-hand inventory position of the Air Force is concerned the only supplies not included in this system are those items held in overseas depots. Plans are being made to install this system in the overseas depots before the end of this calendar year. When this is completed all current inventories in the hands of the Air Force will be under dollar control from the time they are received into the Air Force depot system until such time as final disposition thereof is made.

Action is now being taken to "stratify" this inventory for management purposes which will reflect that portion of the inventory which is applicable to—

- 1. Current operating program;
- 2. Mobilization reserve program;
- 3. Mutual defense assistance program;4. Items applicable to future programs and
- contingency spares; and 5. Excess items.

This information will provide managers at all levels of command with information against which the operating programs of the Air Force may be measured. A probable minimum of about 6 months will be required to establish general uniformity and the resultant capability for consolidation and overall review.

and overall review.

The system will also furnish Congress with summary information whereby the asset position of the Air Force may be analyzed with regard not only to past operations but also to future programs.

I would like to emphasize that monetary inventory accounting is only one segment of an overall financial control plan which the Air Force is pursuing vigorously. Under this plan we will have an integrated accounting system with complete control data on all assets, liabilities, income, and expenses. The request for appropriations resulting from this system will be based upon managementtype budgets, synchronized with accounting data used for control purposes and fully supported by operating details. The total funds requested will be the aggregate of the amounts required for acquisition of aircraft. real property, other equipment, the total operating expense budget, and the estimated change in inventory levels-reduced by the unobligated balances of prior appropriations, and estimated revenues. This will give the Congress a complete annual review of the entire status of Air Force obligating authority. This appropriation technique has the advantage of simplicity, permits installation of modern accounting procedures, establishes a basis for the parallel structure of financial reports and management responsibility, and increases the utility of financial reporting to both internal management and the Congress. Three Air Force bases now are testing procedures developed under this plan. Some of the accounting procedures will be installed Air Force wide next July. It is expected that the complete accounting system will be in operation throughout the Air Force in 1957.

At our Sacramento depot we are installing a standard cost-accounting system which

supplements the general accounting system * contemplated in the financial control plan I have described briefly. In addition, we are installing at this depot a production control system and a system of labor distribution which tie into the cost-accounting system. A work-measurement program, under which standards are being developed, is well underway in all Air-Materiel Command depots. It is expected that the entire standard cost accounting, labor distribution, production control, and work-measurement program will be in operation in all depots in July 1955. These systems will provide management with creditable data with which better to control and operate our maintenance activities.

I have sent a similar letter to Mr. TABER.

Sincerely yours,

H. LEE WHITE. Assistant Secretary of the Air Force.

In my judgment, the importance of this matter cannot possibly be overemphasized. Proper control is absolutely impossible in the absence of reliable inventory figures.

The record indicates that the entire problem of financial control is still under study by a commission of eminent businessmen and industrialists ap-pointed last August by Secretary Wilson and known as the Cooper committee.

I call the attention of the Congress and the country to pages 16 to 40 of volume I of the defense hearings in which will be found in greater detail from Secretary Wilson and from the three branches of the armed services a record of the steps that have been taken in the last 15 months with a view to economy and efficiency.

Mr. GROSS. Mr. Chairman, will the

gentleman yield?

Mr. WIGGLESWORTH. I yield to

the gentleman from Iowa.

Mr. GROSS. Referring to page 18 of the bill, "Shipbuilding and conversion," am I correct in assuming that more than \$4 billion is made available for shipbuilding and conversion in the next fiscal year?

Mr. WIGGLESWORTH. The shipbuilding and conversion figure is

\$1,042,400,000.

Mr. SCRIVNER. If the gentleman will yield, my understanding of the \$4 billion that is mentioned here is that that is a limitation of the funds appropriated in fiscal years 1952 to 1955, inclusive. It is a limitation on the funds provided in those years.

Mr. GROSS. But \$4 billion can be

expended.

That leads to the next question: Are we building ships in foreign yards today for the military of this country?

Mr. WIGGLESWORTH. Not under

this appropriation. Mr. GROSS. But we have been build-

ing ships in foreign yards?

Mr. WIGGLESWORTH. My understanding is that there is construction going on under funds appropriated under the foreign-aid bill.

Mr. GROSS. But not under the money appropriated by the Appropria-

tions Committee?

Mr. WIGGLESWORTH. Under a different bill, not under the armed services bill.

Mr. Chairman, may I just say in conclusion that Secretary Wilson states that-

A good start has been made but that still further economy and efficiency must be achieved during the coming year.

I am sure the members of your committee

Personally, I think a magnificent start has been made, and I recognize that much remains to be done.

In the committee report you will find set out some of the areas which have been giving the committee principal con-

There is much still to be done, but in view of the record of the past 15 months I think there is every reason for confidence, that what must be done will be done in the months that lie ahead.

Mr. Chairman, the bill which your committee submits at this time is of vital importance not only to our own country

but the entire free world.

The new program which it implements holds the key to the country's long-term safety at a price we can afford to pay. As long as the Kremlin holds to its scheme for world domination we cannot relax our defense efforts. But with the right defense program and with the right men carrying it out we can and we shall maintain the necessary strength for as long as it may be essential.

Mr. ROGERS of Colorado. Chairman, will the gentleman yield? Mr. WIGGLESWORTH. I yield.

Mr. ROGERS of Colorado. Directing the gentleman's attention to page 42 of the committee report as it deals with the Reserve personnel of the Air Force, you make the statement:

For these activities the committee recommends the \$28 million which is the amount of the Air Force budget request. amount is about \$3 million more than it is estimated will be obligated during fiscal 1954. and will provide for the anticipated growth in Air Reserve activities.

The reason I direct this to the gentleman's attention is that it has been brought to my attention the Air Force has notified those members of the ROTC who would ordinarily be entitled to a commission in the Reserve forces upon graduation from school next June will not receive their commissions. Was that matter ever directed to the attention of this subcommittee?

Mr. WIGGLESWORTH. I am very sure it was gone into very thoroughly. I yield to the gentleman from Kansas who is chairman of the subcommittee for the Air Force for a more specific reply.

Mr. SCRIVNER. Generally speaking, the money which you are referring to in the report on page 42 does not greatly concern the Air Force ROTC. If you will turn to the hearings, you will find that matter was completely discussed in every detail by Assistant Secretary of Defense Hannah, and you will find that a situation had arisen which had its inception last year, namely, that this ROTC program had been set up in years past when there was no idea that they would ever be called upon to operate at the same time that the Draft Act was in effect. They had contemplated and set up more Reserve commissions than they had any use for. These men had been deferred from military service while other young men in the country had been over in Korea fighting, some of whom did not return. The decision was made by the Defense Department—not by the committee—that these men should serve their country. There were not enough vacant berths to give them all commissions. The great need in the Air Force is for pilots. So the program established was for those who stated that they would become pilots, the Air Force Reserve training in the ROTC would be continued, but that the others would serve their time as noncommissioned men or in the enlisted ranks and at the termination of their 2 years of service, just as they always have under the Selective Service Act-while the kid across the street who was not able to go to school and who did not get deferred-but at the end of 2 years of service, they would be given a Reserve commission.

Mr. ROGERS of Colorado. Do I understand from your explanation that Secretary Hannah told the committee it was not the intention of the Air Force to issue the commissions in the Reserve that they had promised these men when they enrolled in it some 4 years ago?

Mr. SCRIVNER. At the present time. Mr. ROGERS of Colorado. At the present time?

Mr. SCRIVNER. That is right.

Mr. ROGERS of Colorado. And is there any reason why they should not be granted a commission at the present time, or did he set that forth?

Mr. SCRIVNER. That was fully discussed, and I think if the gentleman will be patient, he will hear a rather detailed discussion of that whole program as the other members of the committee refer to it, and if my reference is correct, I think you will see some of the discussion of this question in the hearings starting on pages 27 and 101.

Mr. ROGERS of Colorado. Do I understand the gentleman will take the

floor and explain that?

Mr. SCRIVNER. Probably all of us will discuss it, but in the meantime, if you will pick up the hearings on the Department of the Air Force, and turn to pages 27 and 101, you will see there a fairly full and complete statement of the situation which we have just been discussing.

Mr. ROGERS of Colorado. Then, I take it from your statement that in spite of the promise made to the men who enlisted in the ROTC and carried out their obligation during the 4-year period, they will not be granted their commission?

Mr. SCRIVNER. Many of them will not be presently granted commissions until they have completed their 2 years of service in the enlisted ranks.

Mr. ROGERS of Colorado. Is there any explanation that has been made to the committee that they had told these men in the field or in school that the reason that they were not doing it was because the Congress of the United States had cut the appropriation and prohibited them from doing it?

Mr. SCRIVNER. No; I do not know that any such statement as that has been made.

Mr. ROGERS of Colorado. Have they passed out any such information?
Mr. SCRIVNER. It is not due to a lack of funds.

Mr. ROGERS of Colorado. It was not due to a lack of funds? Any information passed out by the Air Force to that effect is not true.

Mr. SCRIVNER. I would want to read the statement made so that I would know exactly what was said, but it is not due to lack of congressional appropriations.

Mr. ROGERS of Colorado. No.

Mr. COUDERT. Mr Chairman, will the gentleman yield?

Mr WIGGLESWORTH. I yield. Mr. COUDERT. Mr. Chairman, in examining the bill I find nothing in its present form that imposes any limitation upon the use of these funds by the Executive that would in any way limit the power of the Executive to commit the United States to war such as Korea or Indochina without the consent of Congress. If there is no such provision in the bill then I would like to take this occasion to advise the House that I shall offer an amendment limiting the use of the funds appropriated by this act so that they may not be used for maintaining uniformed forces of the United States in any armed conflict anywhere in the world without either a declaration of war or other authorization of the Congress, or in the event of an attack upon the United States, its Territories or possessions, or an attack upon any nation with which the United States has a mutual defense or security treaty. I thank the gentleman.

Mr. WIGGLESWORTH. I may say, Mr. Chairman, that I hope most sincerely that the gentleman from New York will reconsider his present intention. I think it would be most inadvisable, most unwise in view of the situation which now confronts us worldwide.

Mr. GROSS. Mr. Chairman, will the

gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Iowa.

Mr. GROSS. I want to get clear this shipbuilding proposition. If we are building ships in foreign yards out of FOA money, Foreign Operations money, an item the gentleman was speaking of a moment ago, then this bill does not represent the total expenditure upon the various branches of the military service, does it?

Mr. WIGGLESWORTH. The ships that we are building under FOA money, as I understand it, are not for ourselves but are for our allies; they are part of the military aid which is being contributed to various nations abroad.

Mr. GROSS. I do not want to argue with the gentleman, but it is my understanding that they are building Navy ships, ships for the use of the American Navy in foreign yards.

Mr. WIGGLESWORTH. That is not my understanding.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. BONNER. In connection with the gentleman's statement, let me say that Admiral Leggett, appearing before the Committee on Merchant Marine and Fisheries this morning, discussed the matter. The gentleman is talking about the use of \$50 million or more of mutual aid funds allocated for the construction of ships-foreign. That has been cut, so Admiral Leahy stated—to \$31 million; and these vessels are for the NATO navy, they are not used at all in the American Merchant Marine or the American Navy-vessels built abroad.

Mr. GROSS. But they are funds sup-

plied by American taxpayers.

Mr. BONNER. They are funds supplied by the Mutual Defense program for the rehabilitation of our allies abroad. This amount was set aside to build vessels abroad, war type of vessels; they are minesweepers and small vessels to be used by the Allied forces abroad and not by the American forces, strictly speaking.

Mr. GROSS. But the point I am trying to make is that these descriptions do not represent accurately the cost of the various military projects to the taxpayers of this country.

Mr. SHEPPARD. Mr. Chairman, will

the gentleman yield?

Mr. WIGGLESWORTH. I yield to my

colleague from California.

Mr. SHEPPARD. I wish to say this to the gentleman, if I may, please, that when you include all of the external appropriations, and by external appropriations I mean the moneys that go to European assistance, then your conclusion would be correct. But we do not do that. Under the military appropriation bill that is segregated.

Mr. GROSS. I understand.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. CURTIS of Missouri. In reference to the report, page 6, the topic of reenlistment, I am interested in reference to this statement:

Warfare and implements of warfare are becoming increasingly technical and complex. Training is becoming increasingly expensive. It is hoped that the Department will soon be in position to present to the Congress its recommendations for legislative or other action which would tend to strengthen this phase of our national security.

Last year I had occasion to go before the Appropriations Committee with reference to vocational education. The point I made there was that it seemed to me our military establishments were not using the civilian vocational educational system such as we have, including the classrooms and expensive equipment, and, in fact, were duplicating those classrooms, indeed competing for the teachers in them.

I was wondering whether the gentleman's committee in its breakdown into the Army, Navy, and Air Force subcommittees had gone into the aspects of the cost of this technical training? A great deal of it is a duplication of what we have

going on in connection with vocational education throughout the country, the civilian type skilled jobs, electrician training, and so forth. I am wondering whether the committee in a general way has gone into that or whether I had better direct my questions to each of the chairmen of the subcommittees in regard to each of the services.

Mr. WIGGLESWORTH. The committee is keenly alive to the general situlation referred to. It is anticipated, as the gentleman points out, that there will be a program from the armed services designed to meet the difficulty in regard to reenlistments. I cannot answer the gentleman's question specifically on the

point which he has in mind.

Mr. CURTIS of Missouri. I have had an opportunity to inspect quite a number of military establishments, with particular reference to technical training, the classroom setup and the equipment that goes into it. It is an expensive process and, of course, that expense will continue; but the alarm I have is the failure to utilize what we already have and the duplication of that kind of training. I think there would be room for vast savings by considering the two programs together, the military training program and our vocational education program which we have in our civilian society.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from West Virginia.

Mr. BAILEY. I would like to ask the distinguished gentleman from Massachusetts if some member of the subcommittee will give us the details in connection with the comments on page 6 of the report under the title "Reserve Programs." I have a protest from the adjutant general of West Virginia saying that you have reduced the item of armory construction and nonarmory construction entirely too much. If someone will be kind enough to do so, I would like to have the reasons that were given.

Mr. WIGGLESWORTH. If I understand the gentleman's question properly. the gentleman from Michigan [Mr. FORD], chairman of the Subcommittee on the Army, will deal with it later in more detail. My understanding is that every single dollar requested has been made available and that some \$2 million in excess of planned obligations will result.

Mr. BAILEY. I would appreciate it if somebody will give us the information as to the committee's action.

Mr. BONNER. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from North Carolina.

Mr. BONNER. I was off the floor at the time the gentleman dealt with supply and management, and efficiency in the armed services. Did I understand the gentleman to refer to the catalog system that has been so persistently dealt with in years past, and that it was coming to fruition and would be operative so that various departments of the national defense could interchange materials instead of one department declaring it surplus and another department

buying it?

Mr. WIGGLESWORTH. No. I will say to the gentleman I was referring to a broader aspect of the matter than that to which he refers. I was referring to the overall system of inventory control, to financial property accounting which has been so sadly lacking in the past, particularly in the Army and the Air Force, and which is now being put into force to be operative, by the end of the calendar year.

Mr. BONNER. Does the gentleman know anything at all about the integration of the supplies so as to interchange them between the services and utilize

them to the fullest extent?

Mr. WIGGLESWORTH. I think the gentleman can obtain probably better information on that as the discussion of the individual armed services is taken up.

Mr. BONNER. I do not want to be persistent, but the gentleman must appreciate the fact that I and other Members of this House gave a great deal of time to this very subject. Now, the medical supply system, the test that was set up at Alameda and proved so successful, are the armed services going to have one medical supply system, or is it going to be scattered all over the face of the earth among the various services, bringing about waste and inefficiency as it has in the past?

Mr. WIGGLESWORTH. I will say to the gentleman that I do not know whether I can give him a specific answer. The matter has been taken up in committee. It has been discussed with the members of the armed services. I know in a general way the matter has been given consideration, and I hope where the principle recommended is valid that

it will be put into effect.

Mr. BONNER. On the first of this year I wrote the Secretary of Defense and asked him this question, and as of now I have not gotten a reply. It is a known fact that the Alameda test was successful. We are all interested in this. There is nothing political about it.

Mr. FORD. Mr. Chairman, will the

gentleman yield?

Mr. WIGGLESWORTH. I yield to

the gentleman from Michigan.

Mr. FORD. It was brought out in the testimony before the Army panel that the program at Alameda was most successful. The Surgeon General of the Army informed our panel that it was expected that that program would be implemented all over the United States within, I believe, the next fiscal year.

Mr. BONNER. And that you were going to consolidate this supply system?

Mr. FORD. That is right.

Mr. BONNER. And have one service to serve all the branches?

Mr. FORD. That is correct.

Mr. BONNER. You will save millions of dollars if that is the fact.

Mr. WIGGLESWORTH. I thank the gentleman.

Mr. MAHON. Mr. Chairman, I yield myself 35 minutes.

Mr. Chairman, I well recognize that nothing contributes so much in dullness to a speech than the recitation of figures and columns of figures, but it is, of

course, impossible to discuss a bill of this character without some reference to the figures having to do with the bill. able chairman of the subcommittee has given some very helpful information in regard to the details of the bill, and to all Members I would like to commend the report which gives information in considerable detail. In the first part of the hearings where the full subcommittee heard the Secretary of Defense, the Comptroller, the Secretaries of the Army, Navy, and Air Force, the Chiefs of Staff, the Joint Chiefs, and other top officials, the questions asked and the responses given are quite comprehensive and will, I believe, be quite helpful to Members who are interested in this legislation.

Mr. Chairman, a bill of this kind is never political in nature. It is true that there are sometimes clashes of views among the Democrats and among the Republicans and sometimes members of one party line up more or less on one side and members of the other party on the other side of an issue, but that is the exception and not the rule. For example, last year we had a very warm controversy in regard to the adequacy of the program for the Air Force. We do not have that controversy this year, because the Air Force has now been rather well taken care of. I might say in fairness that the position which some of us took last year has been thoroughly vindicated, in my judgment. That is a matter about which reasonable men may differ, but as evidence of the accuracy of my analysis. the Air Force is quite happy this year over the action of the budget, and I dare say, generally speaking, over the action of the committee. This indicates that what the Air Force did not get last year, and was unhappy about, it got this year and is happy about it. This appears to be a good omen.

The fact is that generally speaking the services are happy about the budget submitted to the Congress this year. I cannot vouchsafe that the fact that the services are happy means that everything is just as it should be. It might very well be, if the services were quite unhappy, we might have a healthier and a better situation. I am not vouching for the interpretation that we should

give to that situation.

I say the services are happy. Army has been most unhappy about the budget estimate this year. Secretary Stevens, in testifying before our committee earlier in the year, at a time when he was not employed as he is now, showed a great deal of concern about the reductions in the Army budget. General Ridgway expressed a similar concern. But, like good soldiers, they have gone along with the team, which was all they could do, and which, under the circum-stances, they should have done, in my judgment. It remains to be seen whether the New Look, insofar as the Army is concerned, is valid. It may be that it will be necessary to have a new look at the New Look as we move along through tangled international situation which confronts our country and the world.

Members of the House generally do not have the time to read the thousands of pages of testimony that is available. Members like to have a firm rock upon which they can stand and defend themselves before their constituents and before their consciences, if I may say so. There is a firm rock provided here for those who wish to trust the judgment of a very able and efficient civilian and military team,

The President of the United States, in his budget message, made the following statement in connection with the mili-

tary budget:

It provides adequately—

Says President Eisenhower—

in my judgment for the national defense and the international responsibilities of the Nation—responsibilities which we must undertake as a leader in the free world.

So you can place your feet on that statement by the President, and I, for one, have great confidence in President Eisenhower, especially in this field. I recognize that he has been wrong before. You and I have been wrong before. No one is infallible. But certainly I think we must recognize that one of the foremost figures in the world today whose judgment we should seriously consider is our own able President.

I do not have a similar confidence in the military judgment of the Secretary of Defense, Mr. Wilson. He is not a military man. I am sure he would not want to pose as a military man, but I have much respect for his ability in the field of management. I think he is utterly sincere in the position which he has taken. I think he has had at his fingertips from reliable sources the best help that is available in our country. I think the information and advice which he has had have been worthwhile. Based upon that sort of background, he has said to the Congress with respect to the military budget:

It provides for a military strength which will be adequate—

There is no quibbling there-

for the security of the United States in cooperation with other nations of the free world under the conditions that we can foresee today.

So it is against the backdrop of those statements that this budget came to the committee and comes to you today in the House.

I will have to admit that I somewhat challenged the statement of the Secretary of Defense in his unequivocal statement as to the adequacy of the military budget, but I am willing to agree that no man here or elsewhere can establish with complete certainty, and in detail, just what the military budget ought to be. No man can draw back the veil of the future and tell us precisely what the future holds.

If we mean by an adequate military budget that we are able to defend ourselves at a moment's notice against seriout hurt and injury from a foreign attack, then I say that this military budget is wholly inadequate. I add, however, that, in my judgment, it is not possible to maintain a position where we can completely defend our country against any willful and determined attack which could be made against us. I mean, we cannot defend ourselves without con-

siderable loss. So it is up to our military team, the Joint Chiefs, the President and his civilian helpers, the Secretary of Defense, and others, to present to us what, in their judgment, is the best military budget that can be devised.

I am not one of those in our land who has lost faith in everybody and everything. I have faith in our President and in the Joint Chiefs of Staff and in the civilian leaders in the Pentagon, in this: That they are doing the best they honestly can to provide a program that is for the best interests of this country.

Mr. McCORMACK. Mr. Chairman,

will the gentleman yield?

Mr. MAHON. I yield to the gentleman

from Massachusetts.

Mr. McCORMACK. I recognize we have great offensive power, and of course we have had that for a long while, but I am very much concerned about the possibility of an attack upon us. Of course, any sneak attack will come from the other side. Democracies do not engage in sneak attacks. I will not argue whether democracies should or not, but they do not. What is the situation in relation to defending our cities and our people?

I realize there probably is no total defense, but I have heard only within recent weeks the Administrator of Civilian Defense say we have 15 minutes' notice. That means a sneak plane would be about 60 to 75 miles outside of Boston, for example, or Washington, if we construe it right. His deputy said the same thing. The chairman of the Committee on Armed Services not so long ago said, as I remember, that 60 percent of the attacking planes could get through. The Secretary of Defense said several months ago that 70 percent could get through. Others say that we can by proper defense reduce that to between 5 and 10 percent, which makes a big difference. Those things concern me. I wonder if the gentleman can give us any enlightenment on that.

Mr. MAHON. I can give the gentleman some opinions, which largely will be my own. The gentleman has posed the most important question, in many ways, which confronts the American people.

Any public official or private citizen who does not at times think seriously and soberly about the vulnerability of this country to foreign attack has his head in the sand, in my judgment, and is not thinking realistically. After I have made a few other comments, I would like to come to the question—the very important question—which has been propounded by the distinguished gentleman from Massachusetts.

When one approaches a military budget, he has to do it with a certain attitude of mind and a certain philosophy. The philosophy behind this bill in the eyes of our planners is that up to a point it is sufficient to deter the aggressor. It is sufficient to prevent disaster in the event of a sneak attack or any attack upon us. It is sufficient to give us or help us sustain the broad base from which we would prepare to launch an unstoppable counter offensive and sweep ultimately to military victory. That is the philosophy which was behind

the budget last year, the year before, the year before that and this year. It is not a bad philosophy. It contemplates this: That the budget is large enough to do the things that I have suggested—and yet small enough to be met by the tax-payer over a fairly long haul without the economic collapse of this country. That, of course, is an important factor because we must consider economic matters as well as military matters, if we would look truly to the defense of our country.

There were some reductions made in the bill-no very deep, sharp slashes. I might make some reference to what I think the validity of these reductions may be. Personally, I would not have reduced research and development as it has been in the bill. It was not a great reduction, but I would not have refused the full budget estimate for fuel for the Air Force and I would not have made some other changes which were made. But, I expect to offer no amendments to this bill. I think the committee has done the best it could under the circumstances with the proposals which were presented. Of course, if Indochina should be the forerunner to a big, hot war or a little, hot war, we would realize that we are making a mistake in our Army program-in my judgment. But who knows just what the answers may The philosophy behind this be there. bill is that it is not for today or for tomorrow, but for the long haul of a period of years. Based upon that philosophy, it can be defended. It is not the budget that perhaps some of you would write or the budget I would write, but it is based upon a very valid degree of judgment.

After World War II, we let our military budget slip way down to about \$13 billion hoping that the marvelous and glorious days of peace were here for a few decades. But, we were in error. Then, beginning with the Korean war we launched a terriffic buildup; it was a crash program. Some of the ablest civilians and military leaders in this country thought we might very probably be in a big war almost over night. With that sort of situation confronting us we went into a crash program, with the building of bases in North Africa and other outlying areas—the building up of our military forces at home and else-There was considerable waste where. in that buildup by reason of the magnitude of the work that had to be done. I think it might very well be argued that the crash program which did precipitate some waste was probably responsible for averting world war III. I, for one, have no apologies for going allout to stop a larger fire when the blaze began in Korea in June of 1950.

In the field of management and economy we have gained some time. We have gained some experience. We have gained additional know-how. We have coordinated our efforts better. There is not as much waste this year as there was last year, and there will be less waste this year than there was 2 or 3 years ago, immediately after the beginning of the Korean war. I think it is very commendable that progress is being made. I think our defense people, military and

civilian, are more sharply and acutely conscious of the demands for economy in manpower and in money than they have ever been before. Naturally, they can afford to be more cautious when a shooting war is not in progress. I say that in a nonpartisan way. It ought to be that way, and I believe defense techniques will improve from year to year if we continue in the Congress this policy we have of vigilance.

Now we come to this question that plagues a lot of people in Congress, disturbs the rest of every thoughtful American mother who lives in an industrial or populous area, and that is, how vulnerable is this country to attack and what are we prepared to do about it?

Well, I say bluntly, expressing my own views, that I think this country is vulnerable to atomic attack from the enemy. I say that with both feet on the ground and without hysteria. I think-I know-that this country is vulnerable to atomic attack. That is not equivalent to saying that I think this That is not country is going to be subjected to atomic attack, because I think there are many things in this picture which would certainly deter any but the most fool-hardy nation from launching an attack upon us even though in such an attack we might lose very heavily, perhaps several hundred thousand people and much property. I am thinking only of an initial attack.

During World War II our bomber command discovered that we sustained on the average less than 5 percent loss in our bombers during a bombing raid; in other words, about 95 percent of our aircraft got through to the target, and it was because of this that they could make those repeated raids. If we should ever come to an atomic war—which heaven forbid—and if 95 percent of enemy aircraft got through, the consequences could very well be disastrous.

The most challenging problem in the Pentagon today, even though the headlines in the press might indicate otherwise, is how to quickly and drastically reduce the number of enemy bombers which might possibly get through to their targets in the event of an attack upon us. Can 95 percent get through? Can 90 percent get through? Can 80 percent get through? Can 70 percent get through? The exact figure cannot be predicted. It would depend somewhat on the weather; it would depend on the element of surprise; it would depend upon the technique that was employed; it would depend to some extent on just plain luck. It would depend upon a number of factors, but I believe that it is possible that an attack could be made upon us, in which 75, 80, or 90 percent of the attacking aircraft might get through. I do not like these kinds of facts and figures and I have over the years as your advocate on the committee sought to add all possible impetus to the program, and so have other members of the committee, in order that we could get the most perfect system of defense that would be pos-

The enemy is likewise vulnerable to atomic attack, and he knows that he is much more vulnerable than we are. We

have great superiority in capacity to deliver the conventional weapons, the atomic weapons and, when we get them in supply, the hydrogen bombs. I am just relating the facts of life, not military secrets. In the light of this situation our people are working and spending a lot of money in an effort to find the answer.

We will have provided, when we pass this bill, over a 4- or 5-year period, about \$5 billion for guided-missile programs of one kind or another. I may say that if there is one weapon above all other weapons that holds the answer to our defense against being bombed by the enemy, it is the guided missile. is where the answer is going to be found. if it is found, and it is being found to a very encouraging degree. This very Capitol itself is to be defended by such techniques, and such a program is now under way, I have read in the papers.

There are other methods to defend ourselves against attack by aircraft. One would be by antiaircraft guns. But if we come to the point where we must rely on antiaircraft guns to defend our cities from enemy bombing raids, we are approaching the end of our military strength. That is one of the methods

that can be used, however.

The interceptor aircraft, particularly the ones which are guided by radar from ground sites, offer great possibilities. All of us know about the bases which are being established and the hundreds of millions of dollars worth of the interceptor type aircraft which are being procured. Of course, we continue to improve and expand the so-called radar defense, the aircraft warning systems.

Mr. Chairman, it is fair to say that the Pentagon people are pushing this program of air defense, but they have not found the complete answer, and we must rest as best we can on the thought that we are to a very considerable degree vulnerable to foolhardy bombing raids. The Soviet Air Force, which is the strongest air force in the world save ours, does have one-way aircraft that could bring the fight to this country by bomber, but those aircraft could not make the return. That would mean they could drop atomic weapons and crews could abandon their planes by parachute when fuels were exhausted. The Soviets are, according to reports which I read in some of the trade journals-I am not quoting secret testimony before the committee—building turbo jet long-range bombers. Everybody knows that. They will be, of course, capable of launching an attack with planes that can come to continental United States and return to Soviet bases. Those are the facts of life. In short, the capabilities of the enemy are very considerable.

What about our ability to counterattack? Are we really prepared to launch a counteroffensive in the event the bill rings and the big war starts, or is it just newspaper talk?

After considerable experience with the installations and personnel of the Strategic Air Command at home and abroad, and under many circumstances and over a period of years, I can say with complete confidence that this Nation is su-

perbly prepared to launch a devastating, unstoppable counteroffensive in the event the big war should begin. is the greatest hope, in my judgment, that the big war will not come. It is one of the best hopes for peace. That counterattack would begin to take form in the first few minutes of hostilities. We not only have our Strategic Air Command, we have the Navy air arm, we have the conventional Navy itself, and we have an ever-increasing efficiency on the part of the Navy to cope with enemy submarines. Those are some of the important areas in which we have been trying to put your money. I emphasize that we are trying to generate every bit of effort to defeat the enemy submarine in the event of all-out hostilities. Army continues to be an indispensible force at home and abroad.

The hydrogen bomb, according to the newspapers and I cannot quote secret testimony, has far outdistanced the hopes of its creators in its capability to effect devastation. Statements made by officials of the Government indicate that the hydrogen bomb has the capability of generating destruction equivalent to much more than a million tons of TNT. It makes the atomic bomb of Hiroshima look like a firecracker in comparison.

There is no doubt in my judgment that if a war should begin in the next few months the atomic bomb and the hydrogen bomb would play a very big part. But who knows if war should not come for 10 years-and we hope it never comes-that these weapons would be used at all? They might possibly be completely neutralized and no one would use them. They might follow the pattern of the poison gas experience in World War II. I make no predictions on that question. But, in my judgment, the atomic and hydrogen bombs would be used in any big war in the relatively near future.

Mr. Chairman, those are some of the off-the-cuff observations which I have thought it my duty to undertake to make to you upon this occasion. The gentleman from Kansas [Mr. MILLER] a moment ago was inspired to ask me a question, and I would like to yield to him

Mr. MILLER of Kansas. Mr. Speaker, the gentleman, as I recall, raised a supposition. He supposed that 90 or 75 or 50 percent may get through our defense. I was wondering why not cut it down to 5 percent, considering the devastating power of the hydrogen bomb as we know it. Supposing one plane should get through and drop a bomb on a place like we are occupying now, a bomb such as was dropped in the Pacific a few months ago, and that has been multiplied in its effectiveness, what would be the effect? How do the provisions of this bill meet that situation?

Mr. MAHON. That is a very interesting question. No one in his fondest hope expects us in the next few years to be able to assure that not 5 percent of attacking bombers would get through to their targets. If we can get it down to 50 percent in the near future we will probably be doing pretty well. It is not that Democrats and Republicans and military people and civilians would not like to see accomplished what the gentleman and I have in mind: the answers have just not been found. They are working toward that end and spending billions of dollars toward that end.

Mr. EVINS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman

from Tennessee. Texas has made a very interesting and informative statement which we all appreciate, I am sure. We always listen to him with interest. I was interested in your remarks that you would not have reduced the appropriation for research and development, and I notice on page 38 of the report with respect to the Air Force that research and development for the Air Force has been cut \$21 million for the next year. It seems to me that that action should not have been taken by the committee, because we know that research and development takes place in peacetime. When war breaks out, we do not have time to go to the drawing board and prepare: we must have research and development in peacetime. I wish the gentleman would elaborate on that just a little bit further.

Mr. MAHON. I should be glad to. A lot of crimes, someone has suggested. have been committed in the name of liberty, and a lot of waste has been practiced upon us in the name of research and development. "Research and development" is a very catchy phrase which we all embrace; certainly I do, and I know the gentleman from Tennessee does. It is a cut, I believe, of about \$21 million out of about half a billion dollars; a cut percentagewise, I believe, of less than 5 percent. I would not personally have made the cut, though it may prove utterly harmless because it is a very minor cut. The reason I would not make it is that our military forces have a certain planned program. I do not want them to stop and replan; I want them to go forward with the projects they are working on, and if we take away part of the money it causes replanning and slowdown, and if we are going to get the answers to the questions raised here by the gentlemen from Kansas and elsewhere, we have got to go forward more rapidly.

Mr. EVINS. At the present time they are spending \$440 million in the Air Force for research and development and for the next year only \$409 million is recommended—a reduction of \$21,550,-000. That seems to be a rather substantial reduction.

Mr. MAHON. In dollars it is substantial. Of course, percentagewise, it is

Mr. BROOKS of Louisiana. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Louisiana.

Mr. BROOKS of Louisiana. I would say to my distinguished friend from Texas that I have listened to his address with a great deal of interest and admiration. As he was addressing the House, the thought occurred to me concerning the reduction in the Army to which the gentleman referred briefly. In the light of the present critical situation in Indochina, I should be happy to have the gentleman address himself to the subject of the reduction of our Army by some 400,000 men as presently planned, if the gentleman cares to do so.

Mr. MAHON. As I said, of course, General Ridgway evidenced in many ways his concern over the reduction, but, of course, he went along with it as a good soldier. All the forces want more personnel and more money. The thing that worried me more than the number of men was perhaps the deductions that might be made by those abroad who do not wish us well. In other words, if the potential enemy should consider this as evidence that America is backing down, that America is going to embrace a policy of appeasement, that America does not really mean what she has been saying, the implications would be serious. That aspect of the matter has concerned me a great deal. When we sit at the conference tables, when we go to Geneva, when we undertake in the United Nations and elsewhere to enforce our will at the conferences which are held, we need to have our best foot forward, with no evidence of lessening of strength behind our Secretary of State, Mr. Dulles.

As to Indochina, I do not know what is going to happen in Indochina. Certainly I do not want to see American troops sent to Indochina, but I am not in favor of telling the enemy whether we are go-

ing to send troops to Indochina or not. I do not want the Congress to take any action which would give the enemy any more information. Heaven knows he already has too much. I do not think we ought to tell the world precisely what we are going to do under all circumstances. That was one of the things that concerned many of us about the New Look. It was first indicated by the Secretary of State, Mr. Dulles, that we were going to rely in the future upon massive retaliation. We are trying to deter the enemy, and that implication is a pretty blunt psychological weapon which has its good points. The fact is we do not want the enemy to know whether we are going to rely on massive retaliation or brush fires, or what steps we are going to take. We need to have every possible bit of maneuverability in the field of foreign relations, in my judgment. I think we should guard very carefully the delineation of our policies in these fields.

Mr. BAILEY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from West Virginia.

Mr. BAILEY. The gentleman has expressed his desire for economy. I should like to ask him whether he feels that the failure adequately to continue the training of our Reserves, some two milion of them who have gone from active service into the Reserves since World War II, is wise. There has not been adequate provision by way of armories and training fields, and it gets back to the question that I directed to the gentleman from Massachusetts [Mr. Wigglesworth]. I think that program is not liberal enough. The gentleman understands, of course, that that is a program

in which the States join by putting up 25 percent of the construction money for armories and in addition supplying the sites.

Mr. MAHON. The committee approved the full budget estimate for armories.

Mr. FORD. If the gentleman will yield, the unobligated balance that will be available in fiscal 1955 for the joint State-Federal Government program for army construction will be \$9.5 million plus the full amount which the budget recommended and which we approved of \$9 million for the same program, which gives to the Army construction program \$18.5 million for the next fiscal year. Their own figures will so state, that at the end of fiscal 1955, out of the \$18.5 million they will have available for obligation \$2 million which they will not have obligated.

Mr. MAHON. I think I have occupied the floor long enough. The gentleman from Michigan can discuss that in detail. If the House in its wisdom wants to provide more money for armories that is within the authority of the House to do. I think the program is worthwhile and we should carry it forward. If additional funds are needed they could be provided.

Mr. WAINWRIGHT. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from New York.

Mr. WAINWRIGHT. Did I understand the gentleman correctly when he said he believed that if a war broke out within the immediate future or within several months—the gentleman did not define "immediate future"—he thought we would use nuclear and thermonuclear weapons, but that if it were delayed for a period of 10 years it was possible they could neutralize each other?

Mr. MAHON. It is possible, but, of course, no one here knows what might develop. I made the point in order to enforce this idea, that you cannot place all of your eggs in one basket. If you rely only upon one method of defense or offense, and then it is neutralized and is not used in the conflict which comes, you are in a bad situation. So you have to have some degree of balance in your planning.

Mr. WAINWRIGHT. Then does the gentleman think the appropriation is adequate to provide the military and the President with a balanced enough force to meet the threat wherever it may occur?

Mr. MAHON. I do not think we could meet it without terrific losses. This is not a program of ultimate, complete defense. If war should come—let us measure our words for the record—our losses would be terrific, and people would say, "What have they done with all our money, and why are we not better prepared?"

Mr. WAINWRIGHT. I would then carry the question further, because I gathered the inference from the gentleman, based on the experience of his committee work, that we would or that both sides would use nuclear weapons. Consequently the implication is that there would be massive retaliation on

our cities. I gathered that the gentleman felt that the enemy was capable of delivering such retaliation. Is that correct?

Mr. MAHON. I do not like the gentleman to put words in my mouth. I stand by what I said. What is the gentleman's point?

Mr. WAINWRIGHT. The point I was trying to raise is whether the gentleman as an individual feels that this budget provides adequate funds to meet such a contingency.

Mr. MAHON. First, what does the gentleman mean by "adequate"? This budget coes not provide adequate funds to prevent very damaging blows being delivered against us. It does not make us airtight in our defense program at home or abroad. It is a betwixt-and-between compromise, with many calculated risks thrown into the picture. Anyone would be foolhardy who would undertake to guarantee the Congress or the country that this budget is adequate to meet fully all the contingencies which may arise in the unforeseeable future.

Mr. O'HARA of Illinois. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. O'HARA of Illinois. I have been very much interested in the gentleman's analysis and his observations. I would like to extend his observations to another field in which I am interested because of this circumstance. In my district is Jackson Park. Jackson Park is where we had the World's Exposition in 1893. A part of that is a wooded island. That wooded island is a place of recreation, and it is centered in the sentiments of three generations of the people of my district. The Department of Defense, as I understand it, is about to take this island and remove the trees and all the things that have meant so much to my people and still do, and make out of it a fortress as part of our air defense. I wonder what will be the though of the distinguished gentleman from Texas on the repercussions that we are having in our fear of the war and in our efforts to properly defend ourselves to meet the dangers of war in the destruction of those spots of recreation and of sentiment that can never be restored. And further there is this thought: Of course, no one because of sentiment or because of personal reasons would object to anything that is necessary for the defense of our Nation, but is the judgment upon which these spots are destroyed the final and well considered judgment of the highest authority in the Defense Department, or does it come from the judgment of persons of less authority.

Mr. MAHON. The gentleman has raised an important point. I note that he says that he and his people are willing to yield to military necessity, but they want to make sure that the transformation of this landmark is essential. I find no fault with that attitude. We all know that we have used the priceless blood of our own sons in our defense; we have used dollars, manpower, and energy, and I am sure we would not hesitate to use historic or priceless locations if such action is necessary for the defense program.

Mr. O'HARA of Illinois. Nobody would object to that, if it is necessary,

Mr. MAHON. If the gentleman will permit me to finish, I think the gentleman and I will share the same view. His point is, could not the air defense be promoted just as well by the selection of some other site? I think, certainly, every effort should be made to select a site that would not do the damage which the gentleman has described. I think the idea should be forcefully brought to the attention of the appropriate authorities, and any member of the committee, including myself, will be glad to request a real showdown hearing in regard to the problem which has arisen in the gentleman's district. This is, as the gentleman knows, not the main bill for military public works.

Mr. O'HARA of Illinois. The information has been given to me. I do not know how much it is to be relied upon. It is said that the reason for the selection of this place is that it can be bought from the park district for \$1 an acre whereas, if they condemned other property and took private property, it would

take a good deal more money.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield. Mr. GROSS. Could the gentleman give us any estimate as to how much is in this bill for offshore procurement?

Mr. MAHON. I would have to yield to my chairman for a quick and ready answer to that question,

WIGGLESWORTH, I do not think there is anything in this bill for offshore procurement. I think that comes under the foreign aid bill.

Mr. MAHON. There have been off-shore purchases for food, as you know, for our troops overseas. There always is. We have to buy many things overseas. But, so far as military weapons and things of that kind are concerned and other major items, they, of course, are not obtained through offshore procurement at all.

Mr. GROSS. The purchases overseas are offshore procurement whether they be for military supplies or what. What I am getting at is that last year we bought 51/2 million pounds of butter from Denmark alone and shipped it clear to the Far East, and the Far East

Command.

Mr. MAHON. I could not vouch for

those exact figures.

Mr. GROSS. I could vouch for them. Why did the Department of Defense buy 5½ million pounds of butter from Denmark when we have this surplus in our own country?

Mr. MAHON. I do not have the facts before me on butter purchases. I know that our people have used fish from the Japanese area to help feed our troops.

Mr. GROSS. I do not know of any surplus of fish in this country.

Mr. MAHON. And I know that we have bought products overseas in the European theater to feed our people. But, I will investigate the gentleman's figure as to butter from Denmark, and I join with my friend in vigorously defending the right of our own American producers.

Mr. GROSS. I thank the gentleman. The CHAIRMAN. The time of the gentleman has expired.

Mr. WIGGLESWORTH. Mr. Chairman. I yield 40 minutes to the gentleman from Kansas [Mr. Scrivner], chairman of the subcommittee on the Air Force.

(Mr. SCRIVNER asked and was given permission to revise and extend his re-

marks.)

Mr. SCRIVNER. Mr. Chairman, as the gentleman from Texas has indicated, he, together with myself and the gentleman from Nebraska [Mr. HRUSKA] comprise the subcommittee or the panel on Air Force appropriations; and, as he has stated, the hearings were carried on in the greatest of nonpartisan sentiment. We are concerned with one thing, that is the greatest possible defense for this Nation at the lowest possible cost in dollars, manpower, and material.

Mr. Chairman, before discussing the United States Air Force, permit me to make two short references to the Soviet

air potential.

Just last week, Gen. Lawton Collins, former Army Chief of Staff, and presently our top United States NATO representative, made this statement, namely, that the Soviet air force has 20,000 planes. The United States Air Force has more than 21,000 planes, and in addition thereto, as a potent part of our United States airpower, we have the Navy and Marine planes of more than 10,000. We outnumber the Russians more than 3 to 2 and our planes are superior in quality. Our pilots are surpassed by none, in skill and courage.

Our plane industry is on an even keel. Our production capacity exceeds that of

the Soviet.

To those of you who may have had some fears after seeing a picture of what was reported to be a new Soviet jet bomber, let me state that responsible intelligence sources informed me that they have valid reasons for believing that the picture is not authentic, but is a phoney. However, it would be foolish to think that the Soviet is not working on better planes. As of today, their long-range bombers in any considerable number is the T-4, a copy of our B-29. It is not capable of bombing any place in the United States and returning to a Soviet base. One-way suicidal missions over this country are, of course, possible. The probability, is in my mind remote, based upon intelligence made available in Europe last fall and since.

A year ago, you were told, although you might have forgotten, that 3 planes could carry as much devastation as 2,700 planes could carry at the end of World War II. That statement was based upon the terrific A-bomb power. Today, with the H-bomb, a small handful of our planes can deliver as much devastation as was delivered by all Allied planes in all of the sorties in World War II. That power is the greatest defense of this Nation.

These new facts, developing so rapidly, mean that many changes in our air arm can be expected within the next year or so—a situation taken into consideration by our committee as it engaged in its hearings and decisions on the modest reductions.

The application of another appraisal of the facts of modern-day airpower should result in the immediate future of savings in planes, military manpower. and dollars.

STRATEGIC AIR POWER

Mr. Chairman, before going into details of the budget and discussing matters relating thereto, two other comments about our Air Force are in order.

First, quite frankly I have been, in the past, skeptical and have expressed skepticism, of the immediate striking power of our Strategic Air Command, referred to as SAC. Visits to SAC bases at home and abroad have wiped out that skepticism. You may rest assured that our Strategic Air Command is able and determined to carry destruction to any part of the world at any time it is ordered—see Twining, page 91.

Second, while there remains room for improvement, I have seen in the Air Force, more evidence of efforts toward. and pride in, economy in the last few months than I have seen in the last several years. As this desire and practice grows, our military expenditures can decline—we can get still more defense

for still fewer dollars.

NO REDUCTION IN FUNDS FOR NEW PLANES

Mr. Chairman, as set out in the report, you have noted that the major Air Force budget aircraft and related procurement item has not been reduced. We have allowed the full amount requested for new aircraft and initial spares, ground-handling equipment. missiles and aerial targets.

When the budget was prepared, the Air Force told us they would have in this program \$1.8 billion which would be unobligated; that is for which no contracts would have been let as of June 30, 1954. Just before the hearings were ended, we were told that there would be an unobligated balance of \$3,691,000,000. This balance, with \$2,-760 million new money makes over \$61/2 billion available in 1955 for obligation. an increase of nearly \$2 billion more than was first suggested.

Prior appropriations and new money allowed here will provide for the pro-curement of 1,167 planes—page 215 giving us an Air Force which on July 1 will be 80 percent modern, reaching 100 percent modernity by July 1, 1957, a fully modern force of 137 combat planes, with 27 additional Air National Guard wings and 23 wings and 67 squadrons of Air Reserve.

As of June 30, the Air Force will have unexpended funds, totalling \$23.6 billion. The new funds, \$11.2 billion, will make a total of \$34.8 billion. At the present rate of expenditure, enough to run $3\frac{1}{2}$ to 5 years—page 926.

These unobligated and unexpended funds prove conclusively that reductions made last year did the Air Force no

NO TIME OR MONEY LOST BY NEW LOOK

Contrary to statements made in recent weeks, the testimony shows convincingly that there has been neither time or money lost as the result of the new appraisal, or if you prefer, as a military man, a new estimate of the situation, which the new Chiefs of Staff made last fall just as we promised you they would. The program presented by this budget was endorsed by all chiefs—volume 47, pages 120, 119. General Twining is most positive in his statements that the new program gives us an Air Force much stronger than that of the Soviets—page 92.

GENERAL MOTORS CONTRACT CANCELED

Also, contrary to claims made on this floor, among the defense orders canceled or cut back, were orders with General Motors to the tune of \$90 million—page 54.

CONTINENTAL DEFENSE

Since SAC is ready to go, able to smash either initial or retaliatory blows, more emphasis has been placed this year on the defense of this continent.

The major portion of our protective and detective early warning radar net is completed. Further installations will augment this chain giving us still earlier warning. In addition thereto, the Air Force and Navy has radar planes covering strategic areas, supplemented by radar picket ships—page 159. Automatic radar stations in the far north are in operation.

The Air Defense Command—ADC—has a defensive network complete with communications, capable of locating approaching planes from any direction. Each day sees more fighter squadrons in position and condition, constantly alert, for the protection of key cities, industrial areas and military installations. The much—perhaps too much—publicized NIKE batteries are being installed. NIKE, as you know is the ground-to-air guided missile, with an almost unbelievable record of accuracy.

Our Tactical Air Command, generally those planes which we think of as operating more closely to and with our ground forces, is being equipped with better, faster planes, and their tactical disposition is further strengthened by the matador guided missile, essentially a pilotless plane, electronically guided and operated, with such accuracy that the error or miss is fractionally minute.

ROCKETS AND MISSILES

Other rockets and missiles are nearing the end of the development phase and are ready for production. But, quite frankly and honestly, though progress is being made in these fields, we are no where near the day and age of pushbutton warfare.

There are many phases of Air Force requirements which could be discussed, however, if Members are interested in them, the hearings, almost 1,000 pages, are available for study; hence the following discussion will relate chiefly to the reductions recommended and these reasons for them.

Incidentally, in the Air Force hearings on page 78 to 80, you will find an explanation of the various commands, and on page 87 to 91 you will find full explanation as to the terms, wing, group, squadron, and so forth.

MAJOR PROCUREMENT OTHER THAN AIRCRAFT REPORT, PAGE 37

Another big field of Air Force expenditures is for major procurement other than aircraft. Under this appropriation item funds are furnished for weapons, ammunition, motor vehicles, electronics, and communications equipment.

The committee has recommended a reduction of \$60,636,000, yet we provide for \$74,364,000 that was provided last year. There will be an unobligated carryover of \$282,200,000, which added to the new funds will provide nearly \$1 billion for obligation in the coming year—report, page 37. With the present unexpended balance, over \$3½ billion will be available for spending, sufficient for over 4 years of financing at the present rate of expenditure. At the proposed 1955 rate of expenditure, more than 3 years are provided for.

The Air Force made a mistake in mathematical computations in weapons of $33\frac{1}{2}$ million; we naturally deducted this amount.

No reduction is made in weapons or ammunition.

The balance of \$37 million reduction applies to vehicles of various types. Availability of commercial vehicles makes unnecessary a huge reserve to deteriorate. Figures relating to other types are unrealistic—see Times item. A survey recently started, probably after the budget figures were prepared, has brought countless excess items of equipment from bases into depots. Many more will follow. Sufficient showing has been made to justify our skepticism and our reduction and to require a complete analytical survey which has been requested for next year.

[From the Kansas City Times of April 23, 1954]

LOSE WEAPONS TO RUST—BILLIONS IN MILITARY WASTE REPORTED IN STORAGE—IMPROPER PACKAGING AND PRESERVATION BLAMED BY A PENTAGON SOURCE FOR RUIN OF A VARIETY OF EQUIPMENT

Washington, April 22.—Billions of dollars worth of military weapons and equipment are rusting, corroding, or mildewing at arsenals and warehouses around the world because they were packaged and stored improperly, a Pentagon source revealed today.

"Valuable precision instruments, radar equipment, guns, and other vital war materials are being scrapped because the Pentagon never has enforced a standard packaging and preservation policy," the official said "as a result there has been tragic waste of goods that might have been saved by a little extra care."

He said the Defense Department had lost over \$1 billion a year on packaging and preservation of the munitions and other supplies it buys for immediate use or for war reserves. This money would be adequate if the military services and contractors followed uniform packaging principles to make sure the equipment will be in usable condition when unpackaged.

"Congress has had little information about this serious problem because the loss and waste has been covered up under the general term of obsolescence," the official said. "No one really knows the condition of

"No one really knows the condition of the \$30 to \$40 billion worth of supplies now in storage."

RESEARCH AND DEVELOPMENT

Mr. Chairman, this committee keenly appreciates the value of research and development. It has always been most liberal with funds for this program. In fact, we have appropriated more funds, in times past, than the former executive has permitted to be spent.

We have felt that some of the programs have not produced results as we were entitled to get. Each year funds have been carried over. For example, \$85 million is being carried over into 1955, which with new funds would make nearly one-half billion dollars available in 1955 for obligation. In actual expenditures, which is more nearly the yardstick for this program, over one-half billion of previously appropriated funds will be unspent July 1. With the new funds allowed and these unexpended balances, nearly \$1 billion will be available with nearly one-half billion once again remaining unexpended July 1, 1956.

This modest reduction of \$21,550,000 will serve to bring matters more nearly current and help to level off without such large unobligated balances being carried over each year.

MAINTENANCE AND OPERATIONS REDUCTIONS

Mr. Chairman, the committee did recommend a reduction of \$50 million in maintenance and operations, applicable especially to the procurement of followon spares and spare parts. The reduction is really nominal, and cold logic and stark realism would justify even more.

As was brought out time after time, the requirement for maintenance and operation of planes, the number of repairs, overhauls, fuel, and so forth, are tied in very closely with number of flying hours—page 394.

Spares and spare parts are procured under 2 projects, 120 under aircraft procurement and 411 under maintenance and operations, the latter being followon spares.

Although flying hours increase only 14 percent, the request for spares and spare parts in project 411 zoomed up over 60 percent over 1954—page 384.

Reference to page 233 of the Air Force hearings graphically portrays what the spare and spare-parts situation is.

July 1, 1950, spares on hand were listed as \$2.064 billion.

In fiscal years 1951 to 1954, inclusive, \$9.778 billion were appropriated, bringing the total of on hand and financed to \$12.559 billion.

In fiscal years 1951 to 1954 it is reported that \$2.9 billion of spares and spare parts were consumed or otherwise left the inventory.

That leaves assets on hand July 1, 1954, of \$9.622 billion—enough spares and spare parts to run over 3 years at current rates, or if based on consumption only—\$1.900 billion—nearly 5 years.

With this modest reduction of \$50 million, this bill will provide another \$350 million plus \$1.037 billion initial spares, bringing the total inventory and available funds of over \$11 billion, or nearly 6 years supplies at current use rates.

Without any new funds, this inventory is sufficient to carry the Air Force for nearly 4 years.

The committee feels that a still more realistic program of estimating spare and spare parts requirements must be undertaken to avoid this huge backlog, much of which becomes obsolete, and which occupies countless acres of expensive storage.

The committee recommends a modest reduction of \$35 million in the procure-

ment of fuel and oil. Industry experts indicate a decline in prices. In addition thereto, even though as stated above, flying hours increase only 14 percent, the estimates for fuel and oil increase 34 percent.

With these modest reductions, funds are increased 30 percent over 1954, or more than double the increase in flying hours

In the hearings, it was developed that in 1954, the average cost for fuel for each flying hour was \$50. Although there will be more jet flying, the increase cannot justify the jump in 1955 to \$58 per hour, an increase of 16 percent. Further figures show that the average annual cost for fuel per plane in 1954 was \$22,-280. Fiscal 1955 figures indicate a rise of 24.7 percent to 27.78 percent. With the actual and promised increased efficiency and economy, this increase should have been much less.

BASE AND MAINTENANCE EQUIPMENT

A minor reduction of \$15 million was made in this program which provides for vehicle supplies, tires, tubes, and so forth.

An analysis of Air Force inventory indicates repair parts and so forth, amounting to more than \$1,000 per vehicle. Tires and tubes—except for a few special types—are now immediately available and no useful purpose is served in piling up huge reserve supplies to rot in the sun and weather.

LOGISTICAL SUPPORT

A reduction of \$65 million was made in funds for depot maintenance. We were told that the Air Force, in its aircraft engine maintenance activity had now adopted a new program-IRANinspect and repair as needed, rather than a complete disassembly and rebuild as new-a program that should save nearly 75 percent in costs, yet the figures submitted to the committee show increased costs, some increases running as high as 35 percent. We were also told of the increased time between engine overhauls and other management improvements which should have reflected savings.

Yet, while the flying hours go to 14 percent, we find a request calling for an increase of 123½ percent in fiscal 1955 over 1954, from 47 to 105 million—page 475. This cannot be explained by an increase in the number of planes or types because the increase is not double of 1954, nor can it be said that planes are more than twice as complex this year, so the reason of complexity fails to explain this alarming rise.

The increase from 47 million in 1954 to 105 million in 1955 seems to be the result of an error or failure, in the field, to put into action the new improved management programs of which we heard so much.

In 1954, the average cost per plane under this program was \$28,569. The request calls for \$32,600, yet figures indicate that in 1953, before any austerity was in vogue the cost was \$25,246.

Even with reduction, there will be available \$4,129 more per plane over 1953 and over \$1,000 per plane over 1954.

It should be noted, as a matter of interest, that exclusive of military pay, in-

cluding the cost of operating our bases, it costs us \$181,300 per plane per year to keep them flying. Inclusion of military pay doubles this figure.

OTHER REDUCTIONS

Under the various programs requests are made for major repairs and minor construction. This program is justified under—page 510—the need to maintain buildings, roads, utilities, and so forth, and make repairs due to floods, fires, storms, and acts of God.

All of these requirements are unforeseeable. Yet, this year, a new "gimmick" was added, namely, a request for an added 10 percent for unforeseeable projects.

The committee saw no need at this time, after all the years of presentations on the standard form of requests to add the 10 percent, for in fact, most, if not all the items for which these funds are sought are unforeseeable.

MILITARY PERSONNEL

As set out in the report—page 41—a modest reduction was made in this item. Thirty-three million dollars was volunteered by the Air Force. Two million one hundred forty-four thousand one hundred dollars cut was concurred in by the Air Force.

The remaining \$7,855 million reduction relates to funds for movement of individuals and household effects when the stations are permanently changed.

The Air Force has undertaken to elim-

inate or reduce this practice.

The committee feels that this policy change should save more than this \$7.8 million, and that the \$8 million over 1954 will provide all required funds if these shifts are held to a minimum, as we hope they will be.

RESERVE AND AIR NATIONAL GUARD

Fully realizing the importance and need of the Air Reserve and Air National Guard, and with the increased implementation in the defense of this Nation, the full amount requested has been allowed.

All told, Mr. Chairman, the total reductions made amount to \$380,690,000, of which the Air Force has concurred in \$116 million.

The committee reduction amounts to 2 percent, a very modest reduction in view of all facts and circumstances,

D TO P

In the hearings many references are made to D to P—pages 85, 161, 303, 305, 307, and 308.

D refers to the day hostilities might start. P refers to the time when production is great enough to take care of our current needs.

Rather than build up huge reserve stocks, most of which deteriorate or become obsolete with time, we are, as a result of the new appraisal and new approach, building up just that amount of material, largely through keeping plants in operation at a low tempo, which will meet immediate combat needs and provide whatever is necessary to supply us from D-day to that day when, the plants, all tooled up, already in operation, can turn on full steam, add the necessary shifts of workmen and furnish the military what is required to keep going.

In other words, much of our reserve is in operating plants instead of in stockpiles and warehouses.

It is a sound, sane program geared to the long pull, and not geared to an unsound program of getting ready for some hypothetical fixed D-day.

MORE POWER, FEWER MEN

The Air Force, civilian and military, deserve great credit for bringing into being more wings—115 compared to 110—with fewer men—955,000 compared to 960,000. As a matter of fact, earlier figures called 997,000 for 110 wings, and 1,031,000 to man 115. Direction from the top, and cooperation through all levels has made this possible. Greater use of indigenous—foreign—personnel has contributed, and is often referred to in the hearings as Project Native Son.

This program, which made possible the return of over 30,000 airmen from Europe, will be expanded during the

year.

Other practices have also brought about this increased fighting strength with fewer military personnel—page 173. Food service has been found to require fewer men after a detailed analysis; and more airmen are doing KP. The number of chauffeurs has been reduced; a smaller number of air police are used; the number of bands has been reduced; clerks, orderlies, typists, and miscellaneous headquarters personnel has been reduced.

SERVICE COMPLAINTS

During the hearings this year and in previous years, the committee has felt and observed, as mentioned briefly a moment ago, that the frequent shifts of assignments, was too costly and detrimental to the welfare of the Air Force. One of the most frequent subjects of criticism, and one of the major reasons for abandonment of the Air Force as a career was the frequent moves, which disrupted homes and home life. It proved quite costly—in addition to loss of experienced personnel—in travel and transportation.

We are assured that steps have been taken, and will continue to be taken, to make it possible for personnel to serve longer in one place. Perhaps our reduction in travel allowances will prove helpful in carrying out this program. And we are quite certain that if these shifts are reduced, more than the \$7,800 million reduction can be saved.

Another cause for dissatisfaction is the apparent lack of effort to bring about concurrent travel of families and dependents of military personnel. Housing abroad creates some of these situations. But, the committee feels that no effort should be spared in bringing about concurrent travel, a subject discussed at several places in the hearings.

Of course, with military personnel in 50 or more countries of the world travel and transportation, with all of the accompanying problems of dependents will be an ever-recurring problem.

PROFICIENCY FLYING

The committee made no changes in the language relative to proficiency flying—that flying which is required for officers rated as fliers whose assignments do not call for flying at present.

In years past abuses of proficiency flying have been pointed out. During the past year, guided by legislative controls, some, but not all, abuses have been eradicated.

Proficiency flying has been reduced about 350,000 hours, and at a conservative estimate of \$100 per hour. This has resulted in a savings to the taxpayer of over \$35 million.

More improvement is promised, and it is hoped that during the coming year we will not again observe what amounts to mass flights to social events or other observances.

Disturbing reports, not yet fully evaluated, come to us of rather considerable amount of seemingly unnecessary administrative flying-reports which indicate that ofttimes commercial transportation for flights of individual officers would be more economical.

By the time next year's budget is presented it is hoped and expected that still more improvement will be reported.

SPORTS-CAR RACES

Now, Mr. Chairman, another matter involving some taxpayer's money, but more essentially policy, has been the subject of some recent comment in the press, on the radio and TV. That subject is sport-car racing. One of these races is to be held Sunday at Andrews Field, purportedly to raise money for some morale-building activities at that base and some funds for the Washington Boys' Club.

As I have often stated, I hold no brief for or against these races. I have never seen one. I do not expect to see this one. If I were a younger, wealthier man, I probably would be interested in sportcar racing, which, from what I have read, must be quite thrilling and a great test of skill and nerve. I hope Sunday's show will be well attended.

But, Mr. Chairman, under the guise of building morale, no program such as this should be permitted if it tears down morale. Phone calls and letters I have received convince me that these programs hurt morale and cost Uncle Sam far more than is contributed to the recreational funds of the sponsoring bases.

Although the Air Force says all the services of the airmen are voluntary, I am convinced this is not true. A recently retired technical sergeant writes that men in his outfit were ordered to act as guards at the races, starting at daybreak. Many of these men were married and would have preferred, if the services had been voluntary, to have spent the day with their families. Others were detailed to other duties.

This sergeant further states that airmen were given special leaves of absence to sell tickets. This leave was not counted against regular accrued leave. Mr. Chairman, this time was paid for from military appropriations, along with the military transportation furnished.

In the hearings—page 450 et seguitur-where this subject was discussed, I read a statement that at MacDill, the cost to Uncle Sam was \$100,000, and the return to airmen's fund was about \$30.-000, perhaps \$40,000.

A letter from an airman who was active in the promotion of the races there states that when everything is figured in, the cost to Uncle Sam was nearer to \$500,000, and that the blow to morale from forced duty was damaging.

Can all this duty as guards, traffic police, handling communications, and so forth, be voluntary when it is found that all leaves and passes were canceled from April 15 to May 5?

On page 953 is found a statement from the Air Force purporting to answer some, if not all, questions arising.

They again say military labor is voluntary. Countless phone calls convince me it is not, and that men are involuntarily compelled to give up their off-duty and leisure time to perform work at Andrews Field. Many others are taken from their regular military duties to work on the preparation of this program, and to follow on in the clearing of the base after the races are over. Uncle Sam or Air Force appropriations are not remunerated for the pay of these men, for under the Andrews Air Force Base regulation 176-5, dated February 15, 1954, such reimbursement is not called for; neither is the keeping of records, so probably no one will ever know the cost to the taxpayer.

Last week I wrote General Twining raising other points and asking further questions, requesting a reply by today.

Three top officials of the Air Force visited with me yesterday evening and stated that all of the facts could not be obtained by noon today and that they were, therefore, answering as far as they could in person the questions which I had asked. They assured me and I accept their word. In the letter I stated that this whole matter is being thoroughly checked; that no new contracts for races are to be entered into, at present at least, although the 5 or 6 future races for which contracts have been made should, as they saw it, be held.

In all localities where these races have been held, there has been, and I feel properly so, criticism for holding these races on Sunday. This criticism has been partially met at Andrews. According to a news report, races will be suspended for an hour, at 11 a. m., to permit participants and visitors to attend services which are to be especially provided.

This presentation would not be complete without reference to other letters. some from Nebraska, some from Ohio, Georgia, some from nearby.

One from Massachusetts points out that a sports-car race is to be held there on Sunday, June 6, although such races are illegal on Sunday.

Pressure is put upon businessmen to buy program ads, schools and other institutions are pressured to lend equipment such as grandstand or bleacher seats—all hauled in military vehicles, often long distances.

An airman's wife writes, apologizing for an unsigned letter, since her husband is still in service. She affirms the use of airmen on race activities during duty hours; saw them working on it during off-duty hours. While ticket purchases

were said to be voluntary, they were not and worked hardships on the families

Why risk loss of stripes, or an undesirable assignment by not selling or buying a block of tickets. It is better to voluntarily accept the assignment of work than lose a chance of promotion.

Another airman writes:

Voluntary? Don't make me laugh. No

And the Air Force wonders why men do not reenlist.

Another letter:

I would like to state that it is true that Air Force personnel were forced to buy tickets to sell and also some of the civilians, having been one of the victims.

Another message reads:

It has gone beyond the voluntary basis and work detail rosters have been put up. The working of Air Force personnel on their offduty time has decidedly lowered their

A phone call brought forth the fact that although they cannot afford it, men have bought tickets, and some of them will be on such assignments Sunday that they would not be able to see the races.

These sport car races on airbases do

some things, Mr. Chairman.

They do provide a race course without cost to the association or the drivers. It does provide free help, guards, police, mechanics, communications men, and some funds for the Sports Racing Car Association. It does provide the promoters with an assured source of income. But all of this does cost Uncle Sam.

From the races here, part of the money—10 percent—goes to the Washington Boys' Club. Fine as the work of the club is, and I donate each year, is there any legal right to use Government

property for such purpose?

If such forced labor lowers morale,

what is gained?

All in all, the loss and cost far outweighs the gains and the income.

It would be far better, and cheaper, if Congress, upon need shown by the Air Force, appropriated more money-\$3, \$4, or \$5 per airman-for added comforts, rather than have these races which disrupt, for so long a period of time, the various base operations, and which react so unfavorably upon the very men they are purported to help-and cost the taxpaver so much.

In view of assurances given me, I will not offer any amendment to curb this practice.

In conclusion, Mr. Chairman, this is a good sound budget-a program with which we can live for a period of years,

We know, as do all of you, that if conditions worsen, if needs grow greater, more funds, more men, more material can be provided.

Mr. OLIVER P. BOLTON. Mr. Chairman, would the gentleman care to yield for a brief question at that point?

Mr. SCRIVNER. I vield.

Mr. OLIVER P. BOLTON. I am interested in the program for the Air National Guard, particularly as it affects base procurement. Would the gentleman like questions on that at this point?

Mr. SCRIVNER. We gave them everything the budget asked for.

Mr. OLIVER P. BOLTON. Can the gentleman tell me specifically whether there is any new base plan for the area between Akron and Cleveland to replace the installations now at Cleveland Airport and at the Canton-Akron Airport?

Mr. SCRIVNER. I think the gentleman will find that that will come up under military construction. We have something in here for armories and all of the requests that the military made, but as far as specific points are concerned I do not recall that that one in particular was mentioned.

Mr. OLIVER P. BOLTON. I thank the gentleman. I was unable to find it

in the hearings.

Mr. MAHON. Mr. Chairman, I yield such time as he may desire to the gentleman from California [Mr. Sheppard].

Mr. SHEPPARD. Mr. Chairman, as the gentleman from Massachusetts [Mr. Wigglesworth], my chairman handling the Navy section of the bill, treated the entire bill in his presentation, I think it apropos at this time to handle the paragraphs of the Navy section of the bill. I sat as one of the members of the committee handling that section of the bill.

Before going into details, I want to express my appreciation to the members of the committee with whom I have been honored to serve for the splendid cooperation that was extended throughout the entire hearings, which were voluminous and, sometimes, frankly, tiring.

I also want to pay my compliments to the clerical staff whom we worked with. They all performed their functions in a very splendid and cooperative manner, and individually I am very grateful to all of them.

Mr. Chairman, I would like to take up the Navy section of the bill in sectional detail. As you will find reflected in the bill, the total budget request for the Navy for this fiscal year was \$9,-915,000,000. The committee reports for your consideration \$9,705,818,500, which reflects a cut of \$209,181,500. The bill as is being presented reflects an active fleet of 1,080 ships and vessels and a reduction of 46 ships from the 1954 total. The current manning levels are 80 percent officer and 87.5 enlisted but leaves 100 percent for submarine operations which I am sure the Members of the House are conversant with and the reasons therefor.

Under the section "Shipbuilding," the 1955 program calls for the construction of 30 ships of all classes and includes a fourth Forrestal carrier and a third nuclear-powered submarine plus 1,040 landing and service craft; also modernization of 17 ships. Provision is also made to continue upkeep on 1,400 ships in mothball status which will leave us, of course, in a very splendid position insofar as the reserve mothball category pertains.

Operating aircraft: The bill provides under this heading for 9,941 operating aircraft. With the unexpended balances considered, this would provide 87 percent of modernization by December of 1956.

Presently air operating forces are about 45 percent modernized.

Under the section head of "Marine Corps," this bill provides continuation of 3 combat divisions and 3 combat air wings at full strength.

Under the title "Military Personnel," this bill provides for 1955 end strength of 682,000 Navy and 215,000 Marine Corps. For the Navy this means a reduction during the year of approximately 52,000. This is made possible, of course, by the laying up of 42 vessels in the fleet support area or mothball category to which I have previously referred. The Marine Corps personnel strength will drop by about 10,000 during the year.

Under the title "Military Personnel, Navy," this bill provides appropriations for pay and allowances and related expenses in the amount of \$2,417,000,000, which is a budget reduction submitted to you by your committee of \$10 million.

Under the title "Navy Reserve Personnel, Pay and Allowances, Training Program," the committee approved a budget of \$78.1 million, which is \$11.9 million more than 1954.

Under the paragraph titled "Navy Personnel, General Expenses," this bill carries \$74,970,000, which reflects a reduction from the budget of \$1,030,000.

Under the title "Marine Corps, Military Personnel," for pay and allowances and associated expenses pertaining to active-duty personnel, this bill carries \$612,180,600, which reflects a committee cut of \$1,819,400.

Under the paragraph titled "Marine Corps, Military Reserve," pay and allowances and related costs are in this bill to the extent of \$16,750,000. This reflects a cut of \$350,000.

Under the title "Marine Corps Troops and Facilities," the committee presents the sum of \$167,994,500, which reflects a committee cut of \$8,705,500.

Under the title "Marine Corps Procurement," we find that in general this is the hardware procurement section of the budget, which was \$143,500,000. There was also an estimated \$95,700,000 in unobligated funds which would carry over, making the total of \$239,200,000 for obligations in 1955. The committee made a reduction in this section of the bill of \$13,526,000.

Under the title "Aircraft and Facilities," this appropriation finances operating costs of naval and marine aviation, including fuel, overhaul, training, air reserves, and maintenance and operating of stations and other facilities.

The committee in this instance cut \$195,204,500 below the budget estimate. Under the title "Aircraft and Related Procurement," the committee in this case cut \$13,432,000, which comes to a major degree from unobligated funds. The proportion of first-line planes in relation to requirements is now about 45 percent, as those requirements are indicated under the New Look. This should increase to 57 percent by December, 1955; and further to 87 percent by December, 1956.

further to 87 percent by December, 1956. Under the title "Ships and Facilities," the committee proposes \$818,681,000, which reflects a cut of \$118,319,000 below the budget, which was \$937 million. Under the title "Construction of Ships," there were two estimates. One was for \$57,600,000 for repricing, and the other \$11 million for liquidation of obligations. The committee presents for your approval an estimate of \$57,600,000, but does not think the \$11 million was necessary under the presentations made to the committee.

Under the title "Shipbuilding and Conversion," the budget for 1955 was \$1,042,400,000. There was no cut in this section. This provides a fourth Forrestal-class carrier. Members of the House can see a complete listing of these ships reflected on page 518 of the hearings.

Under the title "Ordnance and Facilities," there is reflected a reduction of \$168,764,000, which left in the bill \$457,-436,000 for the fiscal year 1955.

Under the title "Medical Care," the budget was \$70,300,000. The committee reduced this by \$6,700,000.

Under the title "Civil Engineering," the budget was \$116,800,000. The committee reduced this amount by \$13,506,-000.

Under the title "Research and Development," the overall budget request was reduced by \$21,758,000, and there was recommended in the bill for the Navy \$419,875. This was consolidated with the other services in order that further savings could be made in this operation.

Under the title "Servicewide Supply and Finance," the budget was \$341 million, and the committee reduced that by \$700,000.

Under the title "Servicewide Operations," the budget was \$108,625,000, which was reduced by \$5 million.

If we take the bill as it has been presented by my colleagues who preceded me on the floor of the House, I feel that the bill in general is a very good one. In other words, the whole situation boils itself down to this common denominator or conclusion.

There is undoubtedly a percentage of hazard to national security that is involved, and the degree to which that hazard may prevail of course is undetermined. Anybody's guess can be as good as another's.

There has been a very wide range of changes made in the operations executivewise of the Navy, and administratively speaking, and I think that also applies to the Air Force and to the Army. I think in the majority of instances as these change have been administered it definitely indicates savings can be made.

We are going through a phasing program, militarily speaking. We started out with reciprocal motors in our plane functions. Then we had the jet operation developed, which is not refined to the greatest degree of efficiency as of now. Even with that degree of perfection that we have attained in that field of function, we have right on top of that the guided missile, and right on top of that the possibilities of atomic applications. So it leaves the entire military situation in a very rapid transitional status, to say the least.

If this bill as presently before us is

If this bill as presently before us is accepted by the House and the Senate and becomes law, had to do only with peaceful operations throughout the

world, I would say this bill would be adequate. If, however, by unfortunate happenstance or otherwise we become involved in the Indochina situation, this bill will not meet the requirements that will be reflected in that type of operation.

Like all of my colleagues who preceded me, I am very hopeful that we will find this bill is adequate because of a final understanding between all nations of the world that it is far better to live with each other with a peaceful understanding than to have a continuity of conflict. But the acceptance of this military budget in no manner should be interpreted by any nation as indicating our lack of ability and intent to preserve and protect our form of government and way of living.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 35 minutes to the gentleman from Michigan [Mr. Ford], the chairman of the Subcommittee on the Army.

(Mr. FORD asked and was given permission to revise and extend his remarks.)

Mr. FORD. Mr. Chairman, at the outset of my remarks in reference to the Army portion of this bill I would feel remiss in my responsibilities if I failed to pay proper and fitting tribute to my colleagues on the Army panel, the gentleman from Maryland [Mr. Miller] and the gentleman from Florida [Mr. Sikes]. Their wholehearted cooperation, their devotion to their responsibilities, and their desire to do the best for the Department of the Army and the Department of Defense, were of the highest order. I personally appreciate all they have done in helping to bring this bill to the floor of the House.

It is also highly appropriate to pay my respects to the Secretary of the Army. It has been my personal experience since January of 1953 to have worked rather closely with him in our dual responsibilities, his in the executive branch and mine in the legislative branch of this Government. I have found the Secretary of the Army, the Honorable Robert T. Stevens, a most competent administrator, a most conscientious public servant, and an individual highly dedicated to a tremendous task. He has a big job. He has performed it well. It is very proper to outline some of the things that he, and those associated with him, have accomplished in the period since they have had charge of the Department of the Army. We should recall that the Secretary of the Army took over that responsible position in January of 1953 at a very high point of the fighting in Korea. To the best of their ability he and his associates performed their job extremely well between then and the time that we had an armistice in Korea.

The next period of his stewardship was that of transition from war to an uneasy peace, and I think that the transitional period has been most ably handled. The Army now is engaged in a long-range program for the buildup of our ground forces. Again the Secretary of the Army has done that responsibility most ably.

There is one detail that I think should be mentioned. For many, many years, and I suspect probably from the first days of the Army to about a year and a half ago, the Army never did know what inventories it had of its stocks on hand. Such a condition could be tolerated and understood during a period of war, but there never was any excuse or any justifiable alibi for a failure to know what supplies they had on hand in peacetime. Under the leadership of the present Secretary of the Army, we are now engaged in setting up a financial property-accounting system which will give to the responsible people in the Department of the Army within 30 days after the reports are made an exact and precise figure as to the quantity and the dollar value of the equipment they have on hand. The Secretary of the Army has pushed this program to the maximum. This committee, the Congress, and the public within a year will see important beneficial results from the first program in the history of the Army which will indicate to the Army itself its inventory.

The present Chief of Staff of the Department of the Army, Gen. Matthew Ridgway, is a military leader of the highest quality. He has had wide experience in all phases of combat and administration. This Nation can have the highest faith in the leadership of General Ridgway in the months ahead.

One of the Army officers our panel had before us, not only this year but the previous year, who has been most helpful, is Maj. Gen. George Honnen, Army budget officer. In due course, he will be leaving his present position of responsibility. I wish to pay my personal respects to Major General Honnen for the wholehearted cooperation and assistance which he has rendered this panel in its long and involved budget hearings.

There are some matters that ought to be mentioned over all in reference to the Army: First, under the budget we have before us we will have a far stronger reserve program. Here are some comparative figures: At the end of fiscal year 1953 the end strength in the National Guard was 256,000. On June 30 of 1954, the anticipated end strength of the National Guard will be 315,000. The tentative figure for the National Guard as of June 30, 1955, is 325,000. It is my impression from recent developments that the National Guard strength figure as of this latter date will be even more than 325,000.

The end result is that in a period of about 2 years or slightly over we will have increased our strength in the National Guard by almost 100,000.

Dollarwise, here are some interesting figures: For fiscal year 1953 the obligations for the National Guard were \$153,-300,000; anticipated or estimated figures for the fiscal year 1954, \$210,035,000. The budget request for the fiscal year 1955—incidentally, the committee gave every penny requested for the program—was \$218,530,000.

The Army Reserve program likewise shows an increased emphasis on the Reserve picture. On June 30, 1953, the Reserve picture.

serves had a strength of 117,000. On June 30, 1954, the end strength will be 168,000; and the anticipated figure on June 30, 1955, will be 195,000.

The comparative appropriations are as follows: For the fiscal year 1953, \$73,-000,000—actual expenditures; 1954, \$85,-500,000; and estimated for 1955, \$90,-000,000. The New Look, so to speak, does indicate that we are emphatically placing increased reliance on a strong Reserve program and results are materializing.

Mr. CURTIS of Missouri. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Missouri.

Mr. CURTIS of Missouri. How about the high-school ROTC program; is that being continued and is the appropriation of the same amount?

Mr. FORD. The ROTC program for high schools is proposed at approximately the same level for fiscal 1955 as we had in fiscal 1954. The committee has made a recommendation in its report, as the gentleman may have noted, that it believes the Army would do well to concentrate its high-school ROTC program in those communities where there is a vigorous and aggressive interest in the program and the Army should not attempt to carry along these communities where there is no active interest.

Mr. CURTIS of Missouri. I thank the gentleman.

Mr. FORD. Mr. Chairman, another aspect of this budget as it pertains to the Army is the continental defense program. In the Army procurement and production program for fiscal 1955 there is increased emphasis on the program of guided missiles. The NIKE as we all know, is our primary guided missile which we are using for the defense of our major industrial communities. The NIKE has been in development for a number of years; it is now in production; installations are being installed in and around all of our major industrial communities. All of us have seen in various newspapers throughout the country stories to the effect that the Army has procured NIKE sites. Inevitably, when the Army or any other agency goes into a large community, such as Detroit, Chicago, or New York, to acquire land for the installation of these NIKE batteries, it must disturb the status quo. It is a prime essentiality, however, that these installations be placed in strategic locations. It does no good for the protection of Detroit to put a NIKE installation many miles from that city.

I know it will inconvenience some, I know it will make some unhappy that perhaps well-developed land will have to be appropriated by the Department of Defense for these installations; but in this uneasy era where we are seeking to build up the defense of our homeland, certain inconveniences will have to be tolerated. You have to weigh all of the factors, then decide what is best over all for the greatest percentage of the people.

It might also be mentioned at this point that the Department of the Army

is increasing rather drastically its antiaircraft defense program. For example, in 1950 we only had 48 antiaircraft battalions, in fiscal year 1954 we had 114, and in the fiscal year 1955 we expect to have 122.

Mr. DEVEREUX. Mr. Chairman, will

the gentleman yield?

Mr. FORD. I yield to the gentleman

from Maryland.

Mr. DEVEREUX. In connection with these Nike sites, was any consideration given to leasing these sites rather than purchasing them outright? I know in many cases, for example, that the people are perfectly willing to lease them for a period of years at a reasonable fee so that they will be assured they will have an opportunity to take them back when they no longer are necessary. As you and I know, this whole question of the installation of Nike sites is very fluid. the picture may change from time to time, there may be new development of the weapon, and so on. Was that gone into by your committee to any extent?

Mr. FORD. I would say to the gentleman from Maryland that actually the procurement of sites for Nike installations does not fall within the purview of this committee. The Army construction program comes under another subcommittee. The gentleman from Wisconsin [Mr. Davis] is the chairman of that subcommittee. I do know that the Army, in every instance, made an effort to go into these areas to find suitable land which some agency of the Federal Government already owned. If such land was unavailable, then the Army, of necessity, had to seek sites from other sources. As to whether or not they have agreed to lease or purchase, I am not qualified to say. I suspect it would be well to take that point up with the gentleman from Wisconsin [Mr. Davis].

Mr. DEVEREUX. I thank the gentle-

· Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON. Do I understand then that the discussion of the location of these bases and the priority given the location as to various cities should be discussed when the gentleman from Wisconsin presents his bill?

Mr. FORD. I believe that is correct, because the actual construction on these sites has to be approved through the military construction appropriation bill. We have no funds in here for the acquisition nor the development of the sites themselves. The funds in this bill pertain only to the procurement of the weapons themselves and the manning of the installation after construction.

Mr. OLIVER P. BOLTON. The reason I ask the question is that the information I have is that the area which I represent is not scheduled for some time for such defense. Could the gentleman give us any idea as to the length of time this program will take for first stage of preparedness?

Mr. FORD. I fear, in reply to the question asked by the gentleman from Ohio, that any information I might give as to the NIKE installation schedule

would be of the highest security information.

Mr. OLIVER P. BOLTON. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. On page 16 of the report, under "Manpower utilization," I note and I commend the committee for taking cognizance of being disturbed at the apparent failure to effect a full measure of reduction of military personnel assigned to routine noncombatant duties. We heard testimony on the floor of the House in connection with some bill-I have forgotten the title of it—that there are 7,500 officers in the United States military services who are on noncombatant duty. Did the committee in any way reduce the appropriation to compel the armed services to reduce this number of officers, 7,500 officers, who are not directly serving the Military Establishment?

Mr. FORD. In answer to the question by the gentleman from Iowa, I would state that we did not reduce any funds for military personnel for the Department of the Army. I would, how-ever, state that we felt the Army could do a better job of utilizing their manpower in uniform to produce a better ratio of fighting men to overall strength. and as the result of that attitude of the committee, we commended the Army for reducing 49,000 spaces in calendar 1953 from their military tables of organiza-We directly suggested that the tion. 30,000 spaces they have under consideration now be reduced as rapidly as possible.

Mr. GROSS. But does not the gentleman think that about the only way we are ever going to reduce the 7,500 officers who are on what amounts to detached duty, not directly serving the Military Establishment, and about the only way we are ever going to accomplish a reduction is to reduce the appropriation therefor?

Mr. FORD. That is one way to do it, but I do not believe it is necessarily the most effective way. The Army, in my judgment, is making a conscientious effort to accomplish what the gentleman from Iowa seeks to achieve, and I know that our committee concurs in his point of view.

Mr. GROSS. I am glad you took cognizance of it, and I thank the gentleman.

Mr. SPRINGER. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Illinois.

Mr. SPRINGER. In the bill this year or in the hearings before your committee, has there been anything concretely done to increase the mobility of transportation of troops to areas? I am referring now to the situation we had directly after the Korean action started, when we were some 8 weeks, as I recall it, getting troops to that particular area. Has there been any effort made to increase the mobile transportation of the armed services generally along those lines?

Mr. FORD. I believe the answer is "yes." In the first place, our divisions which are presently available in the United States are better equipped to move into action immediately. As to transportation from the United States to any other area, I think the gentleman from Kansas [Mr. Scrivner] could bring us up to date better than I, because that is primarily involved in the Air Force troop carrier program.

troop carrier program.

Mr. SPRINGER. With the gentleman's permission, may I refer that question to the gentleman from Kansas [Mr.

SCRIVNER]?

Mr. FORD. Yes.

Mr. SCRIVNER. I would say, in answer to the question, that if the gentleman read last night's or this morning's papers, he would have seen that just yesterday we had troop drops in which 500 C-119 troop carriers were used in maneuvers on the east coast. That is merely a sample of the highly mobile military forces we have today.

Mr. SPRINGER. I am taking it, then, that in this bill, and in the hearings before the committee, without going into details, there are plans for the Army to increase that mobility; am I correct in that?

Mr. FORD. That is correct.

Mr. SPRINGER. I thank the gentleman.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Florida.

Mr. SIKES. I certainly do want to differ with my distinguished friends, for whom I have the highest regard. But certainly it was brought out clearly in the committee that this new phrase, mobile readiness, is not all that the term might signify. It is planned to have more troops concentrated in this general area where they can be moved more speedily to a danger spot, wherever it develops. But I am afraid I must insist that we do not yet have air-lift potentialities which will permit us to move large bodies, such as divisions of troops, overseas. For any large troop movement we must still depend upon the conventional ship transportation.

Mr. FORD. Is it not true that our military sea transport service is improving its capabilities?

Mr. SIKES. There is no question about that. I do not want to infer that that is not the case.

Mr. SCRIVNER. If the gentleman will yield further, I did not mean to infer that every bit of our military personnel are equipped so that they could be moved by air, but that capability is daily growing greater and we are becoming more mobile.

If the gentleman from Michigan [Mr. Ford] will yield further, I am just wondering whether he has pointed out fully and completely exactly what has happened in our Army; in that today, as pointed out in response to a question, General Ridgway gives the information that the manpower of a division compared to World War II is 17 percent greater, plus greater firepower. If the gentleman from Michigan will stress

that, I think it will allay some of the apprehensions that some people have.

Mr. FORD. The point raised by the gentleman from Kansas [Mr. Scrivner] was the next point I was going to make. I wish to refer to the material which was inserted on pages 67 and 68 of our printed hearings. In general, it points out:

Based upon the point factors set forth in column 1 of the attached table, a theoretical comparison of firepower indicates that the present division (17,509) with 15 percent more personnel is able to generate theoretically 84 percent more firepower than the World War II Army division.

That means, as I understand it, that the Army's present reduced strength of 19 divisions is becoming the equal in combat firepower of 35 divisions of a decade ago.

Mr. SCRIVNER. If the gentleman will yield, I was going to make that observation, also that the 17 divisions today with their present strength are equivalent to 21 or 22 World War divisions.

Mr. FORD. May I point out 1 or 2 additional facts over all.

It is most significant in comparing the strength of the free world with that of the Soviet bloc to know that we have had significant increases in ground strength by some of our allies. In January of 1953 our valiant and heroic allies in South Korea had 14 combat-ready divisions. As of June 30, 1954, approximately 18 months later, the South Korean Army will comprise 20 fully equipped combat divisions.

Throughout the world there have been other significant increases in the strength of our allies. It is a good program where we combine our efforts along this line with the efforts of those who are as dedicated as we are to the defense of freedom.

To turn to the specific problems in the bill, I should like to give you some figures comparing fiscal 1954 with fiscal 1955.

In fiscal 1954 the Congress appropriated \$12,937,406,000 for the Department of the Army. That budget was based on the contemplation that the Korean war would continue throughout the entire fiscal year. As we all know, the truce came in Korea the first month of the fiscal year; consequently, the Army has been overfinanced during this fiscal year.

The initial budget request for the Department of the Army for fiscal 1955 was \$8,211 million. During the course of our hearings the Army volunteered reductions in their budget request for fiscal 1955 so that the net budget request which this subcommittee acted upon for fiscal 1955 was \$7,754,296,000. The subcommittee proposed further reductions in the Army appropriations for fiscal 1955. The net reduction by committee action was \$138,773,000. It is a relatively small reduction. I am positive the Army can do its assigned tasks within the budget recommended by the committee. I commend the Army for its attitude in volunteering to the committee the reductions which total \$456,704,000.

The first section in the Army portion of the bill pertains to military personnel, Army. The committee had before it a budget figure of \$4,211,300,000. The

committee has recommended \$4,150,479,-000. The decrease total \$60,821,000. The Army in this instance volunteered reductions of \$47,476,000.

The committee action involved one item of \$5 million. The Department of the Army has not made satisfactory progress in reducing the various loss factors in the handling of subsistence. They have not done the best job that they could in cutting down the losses in transit, in storage, and in commissaries. The committee felt that a reduction of \$5 million in this item would be a stimulus to the Department of the Army to do a better job in this area. The \$5 million reduction was out of a total request in this item of \$483,150,000.

Mr. WINSTEAD. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield.

Mr. WINSTEAD. Does the gentleman know how many dependents we have in our military personnel overseas at this time? I am a member of the Committee on Armed Services and, frankly, I do not have the exact figure.

Mr. FORD. Off hand I cannot give the precise figure.

Mr. WINSTEAD. The point I want to make is this. A few days ago a sergeant came through Washington on his way to Europe. He has 5 dependents, 4 of them are children. We learned that schoolteachers were paid, I believe, about \$4,500 a year plus \$2,000 extra and no doubt the cost of their transportation overseas. I am not complaining about that. I think we should take care of the dependents of our military personnel, but it certainly seems to me that the Military Establishments, each of them, could select personnel and not have to send a sergeant overseas who has 5 dependents to furnish them with housing, transportation, supplies and what not, and have to educate 4 children by importing high-priced schoolteachers. I am not finding fault with your committee. I am a member of the Committee on Armed Services. I think our committee and your committee, or someone. should look into that sort of situation, I just want to point out that this New Look that we hear so much about, and I think some of them are doing a good job, but I do not know but that we have some new people looking through the same old keyhole in many respects. I call attention to the fact that this administration, Secretary Wilson's office. has just issued a directive to close 21 schools or to break down segregation in 21 schools for dependents of military personnel. Even Harry Truman never did go that far. That is the situation where local and State school authorities are operating those schools and bearing the operation of expense, and when they carry out that directive, it will cost the Government, and I have the figures here from the Department of Education, approximately \$3 million to do that. It seems to me that this crowd that is putting on the New Look might look into a few other things and be able to recommend to your committee further savings

along that line.

Mr. FORD. Our subcommittee in its hearings made a number of inquiries of

the Department of the Army as to why sizable family units were sent overseas. One of the reductions in this part of the budget involved transportation. Our subcommittee felt that the Department of the Army was making too many transfers too often. In order to stimulate a little more reason, logic, and economy in reference to this problem, we reduced the program \$8,345,000 out of a total of \$166,900,000.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield,

Mr. MILLER of Maryland. I do not find that we have any total figure for all of the Armed Services, but the Army, which presumably has the largest number of dependents under all the circumstances, as compared to the three services, it is estimated that they will have 30,500 children of school age. That, of course, would not take care of all the other dependents. But, it seems to me if the children of school age in the Army only amount to 30,500, it must be far less than the figure estimated.

Mr. OSTERTAG. Mr. Chairman, will

the gentleman yield?

Mr. FORD. I yield.

Mr. OSTERTAG. I would like to call the attention of the gentleman in connection with the subject of dependents that Secretary Wilson testified before the subcommittee on the subjects of dependents, and he said, "Right now, we have about 300,000 men in the European theater, the NATO setup."

We have 200,000 dependents over there; in other words, according to the Defense Department figures in the European theater there are about 200,000 dependents. I do not know that we have

it on a worldwide basis.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Florida.

Mr. SIKES. The gentleman in making his statement I know wants to round out the picture in connection with the National Guard and include information on National Guard recruiting and give the committee information as to what is intended to be done with regard to National Guard and Reserve armories.

I just wanted to remind the gentleman before he left the subject.

Mr. FORD. I thank the gentleman from Florida. In the item under the heading Maintenance and Operation, 1955, the budget request was \$3,316,600,-000. The total cut in this portion of the budget was \$524,421,000.

The figure proposed by the committee is \$2,792,179,000. The Department of the Army volunteered reductions totaling \$409,228,000. The committee made a number of miscellaneous cuts in the maintenance and operations portion of the Army budget. Most of them are set forth in some detail in the committee report. If there are any questions I will be glad to answer them.

The next item is Procurement and Production. That is where the Army makes its purchases of heavy military hardware. It should be noted that the Army for fiscal 1955 requested no funds for this program. Do not, however, be

deceived; we are not stopping the procurement of guns, tanks, ammunition, and other military hardware. The fact that the Army is not requesting new money for fiscal 1955 results from the fact that the Department was heavily overfinanced in fiscal 1954.

The Army intends to obligate in this area \$1,950,000,000 in fiscal 1954 plus \$550 million in reimbursements from other agencies of the Government. The total of the obligation which they anticipate making in 1955 for procurement and manufacture is \$2,500,000,000.

The committee recommended a rescission of \$500 million from Army production and procurement funds. rescission, however, relates only to funds that would be available in fiscal 1956.

It was anticipated that the Army out of funds already appropriated would have to begin fiscal 1956 with over \$2,200,000,000 in procurement and production money. The committee felt that such overfinancing was not justified. We asked the responsible officials of the Department of the Army to come up and talk the matter over with us. After this conference the Army and the committee have agreed that we could rescind \$500 million out of the \$2,200,000,000, leaving the Department \$1,700,000,000 in funds that they will have available now for utilization and obligation in fiscal 1956.

It is an unusual policy to let them have that much money that far in advance, but for good reasons given to the committee I think we can justify the

existence of that availability.

The next item is one I am sure every Member of this body is interested in. I would doubt that there is a Member who has not been contacted by one of his National Guard enthusiasts throughout the country urging that additional funds be made available for the National Guard armory construction program. Here is what the committee did.

The President and the Department of the Army have recommended for fiscal 1955 the appropriation of \$15 million for this program. There are three parts to the program: First, the Army National Guard armory construction program which is jointly financed by the States and the Federal Government, the Federal Government paying 75 percent of the construction costs and the States 25 percent. In that program out of the \$15 million there is the amount of \$9 million.

The second part of the overall program involves nonarmory construction fully financed by the Federal Government. It is a National Guard program, but the Federal Government pays the entire cost. Out of the \$15 million \$1 million would go for this part of the pro-

The third part of the overall program involves the Army Reserve forces. Out of the \$15 million \$5 million would be allocated for that program. This is again a fully federally financed program.

Mr. PRIEST. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Tennessee.

Mr. PRIEST. I want to ask the gentleman, who is making a very finc explanation, if he will explain in a little more detail this \$9 million figure. I have heard it mentioned a time or two and I did not get the connection of the \$9 million with the \$15 million overall figure that the gentleman mentioned. Will he clarify that for the RECORD?

Mr. FORD. The \$9 million out of the \$15 million is solely and exclusively for the joint Federal-State armory con-struction program for the National

Guard.

Let us go back a little bit to see what the precise picture is in this program. I am referring now to the joint program only. On June 30, of 1954, this coming June, the joint program will have available out of previous funds made available \$9,598,000 for utilization in fiscal 1955. In other words, the program was overfinanced in the past. The program is now beginning to move forward. But, nevertheless, on June 30, 1954, they will still have available for utilization in fiscal 1955 the sum of over \$9.5 million for this program plus the \$9 million which we have given them in the budget we are presenting here. In other words, in fiscal 1955 for the joint program they will have \$18,598,000 available for this pro-

The joint armory program, which was presented to us by General Abendroth. head of the Army National Guard Bureau, indicates that out of the \$18.5 million on June 30, 1954, they will still have \$2 million which they will not have obligated by June 30, 1955. In other words their program does not call for the full utilization of the \$18,5 million in fiscal year 1955. Although I have the highest respect and admiration for the fine people who are interested in the National Guard, may I say that, in my judgment, they are making a serious mistake in trying to get the House of Representatives to approve additional funds when the facts indicate the Department is not planning to obligate all the money that will be available if this bill is approved.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman

from Maryland.

Mr. MILLER of Maryland. Is it not a fact that our committee has been very zealous in supplying or attempting to supply all of the funds we could possibly do for the Reserve and National Guard components, but that in this instance we were also told that these armories were built on the initiation of Army commanders of the Regular service, who, it turned out, were not asking this year for more than \$9 million in addition to what they already have and that, therefore, if we added money to this program it would be merely to put it in the pocket immediately?

Mr. FORD. I would like to add the point that this committee has recommended the full amount proposed by the President, and the Department of the Army. This amount is \$5 million more than was approved in fiscal 1954.

Mr. OLIVER P. BOLTON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Ohio.

Mr. OLIVER P. BOLTON, I realize the thoroughness with which the committee has gone into this, and that is why I rise to my feet, because it is my understanding that the original request from the National Guard Bureau was for \$25 million, of which \$20 million was to go into armory construction. Is that correct, sir?

Mr. FORD. I cannot vouch for the accuracy of that figure. If that information has been given to you by responsible authorities in the Pentagon, I would assume it is correct. However, it is not unusual for certain component parts of the Department of the Army. like any other Federal agency, to request of the Bureau of the Budget for Presidential submission more funds than are

actually needed.

Mr. OLIVER P. BOLTON. I recognize nat. The only reason I asked that question is because I am familiar with some of the situations under which many of our National Guard units are now serving and training, and finally, after many years of work in Ohio, we have gotten a construction program of a longrange duration set up, which we are informed, or I am at least informed, by members of the National Guard of Ohio will be seriously curtailed if the overall request of the National Guard Bureau is greatly reduced.

Mr. FORD. I would say to the gentleman that the responsible officials in the Pentagon who represent the National Guard have indicated to this committee that they support the President's budget.

Mr. ASHMORE. Mr. Chairman, will

the gentleman yield?

Mr. FORD. I yield to the gentleman from South Carolina.
Mr. ASHMORE. The gentleman

mentioned \$5 million for the Reserve, if I got the figure correct.

Mr. FORD. That is correct.

Mr. ASHMORE. Is that to be used for building purposes, construction, or the general maintenance and operation of the Reserve program?

Mr. FORD. That \$5 million is solely

for armory construction for Army Re-

serve Forces.

Mr. ASHMORE. Construction?

Mr. FORD. That is correct. That program also has a sizable amount of unobligated funds. Their program has been moving forward even more slowly. That program, however, is likewise now moving forward rapidly and well. We gave them, as we gave the National Guard, all the money that they requested.

Mr. ASHMORE. All that the Reserve requested?

Mr. FORD. That is correct.

Mr. ASHMORE. May I ask another question, to digress here? I notice in the table in 1954 it was \$11 billion-plus that was appropriated for the Air Force.

Mr. FORD. May I say that I would appreciate it if you would direct a question with reference to the Air Force to

either the gentleman from Kansas or the gentleman from Nebraska. I would like to finish my statement on the Army if I may.

Mr. SCRIVNER. Mr. Chairman, will

the gentleman yield?

Mr. FORD. I yield to the gentleman

from Kansas.

Mr. SCRIVNER. I think it should be impressed upon all the Members of Congress and the public as well that this committee, of all committees, has always been more than anxious to comply with the requests for the operation of the National Guard and the Reserve, because we understand and know the value of those components, and we have in almost every instance granted every single solitary dollar that was ever justified or requested.

Mr. FORD. The validity of the gentleman's statement is attested to by the fact that in the budget before us today we gave every penny for the construction program for the Guard and the Reserve; we gave every penny requested for the regular operation of the National Guard, \$218,530,000; we gave every penny that was requested for the Army Reserve program. We did not cut one solitary penny from any of these fine programs.

Mr. SCRIVNER. And if they come in next year and show need for further funds, they will be given further funds.

Mr. FORD. That is correct. That brings up one point which deserves immediate attention. The recruiting program of the National Guard has been moving forward very well, and the committee is in unanimous agreement that we want that program to be pushed to the maximum. It was called to our attention in our hearings that the National Guard officials felt that there was a possibility that they might have to slow down their recruiting at a time when normally the recruiting would be more easily accomplished.

The CHAIRMAN. The time of the gentleman from Michigan [Mr. Ford]

has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. FORD. Within the last few days it has been called to our attention that the National Guard people have indicated to the field, to some extent, that some units of the Guard throughout the country ought to slow down their recruiting. Our committee feels that that was ill-advised. We wish to remind the National Guard that they have on hand with the Bureau of the Budget approximately \$17 million which I am sure the Bureau of the Budget would be glad to release to them, if they can justify that their recruiting program needs that additional money. Our committee will support them 100 percent in the request to the Bureau of the Budget for the release of those funds which are available.

Turning now to the National Guard program over all, as indicated in reply to a question by the gentleman from Kansas [Mr. Scrivner] our subcommittee recommended \$218,530,000 to the National Guard. It is precisely the recommendation of the President and the Bureau of the Budget. We hope that the

program will move ahead as rapidly as they believe it will, and if they need more money for additional strength, the committee would be receptive to an additional request in January. The same goes for the Reserve program. We gave the Army Reserves \$90 million, which is \$4,500,000 more than they had in fiscal 1954. We believe the program is moving in the right direction.

The committee cut \$10 million out of research and development. The budget requested \$355 million for research and development. We reduced that to \$345 million, which is precisely the figure that they received and have available in the fiscal year 1954. It should be noted that although we cut research and development \$10 million, the research and development program on June 30, 1954, will have approximately \$44 million of unobligated funds out of previous funds which were made available to them. Our cut of \$10 million will not in any way whatsoever hinder their program.

I am glad to report to the House that the committee recommended the full amount for the promotion of rifle prac-

tice, a sum of \$100,000.

We made a very minor cut in the Alaska Communications System, a total of \$235,000 out of a budget request of \$4.470,000. The committee was pleased to note that the rates for commercial users of the Alaska Communications System were increased last July for the first time in 8 years. It was a long overdue rate increase and one which will bring into the Federal Treasury an additional \$1,200,000 or \$1,300,000 each year, of perfectly legitimate income. The committee hopes that the reorganization of the Alaska Communications System will take place quickly. It should be set up on an industrial fund basis.

I believe that covers the full budget request of the Department of the Army. In my judgment, the funds made available by this committee for this program will do precisely as our comittee report says, namely, that with the funds available our Army will be a force which is the greatest Army ever maintained by this Nation on a full year basis in the

absence of actual warfare.

Mr. MAHON. Mr. Chairman, I yield such time as he may desire to the gentleman from Florida [Mr. Sikes], a member of the Subcommittee on Appropriations

for the Army.

Mr. SIKES. Mr. Chairman, the committee has brought you the military budget for the fiscal year 1955. As you know, the work of the military subcommittee is now departmentalized, and none of us can be expert on the entire military picture. I question that we can be fully informed even on one service in the time that is allotted to us for studying the budget. I think it is undeniably true that we in Congress can be only part-time budget experts, so many and so varied are the duties and problems pressing on our busy days. Consequently I am going to talk chiefly about the Army budget.

I would like to point out in the beginning that I have no quarrel with the committee action within the framework of fund limitations which were imposed

by the Department of Defense and the Bureau of the Budget. Within that framework we of the committee were in substantial agreement. I have no quarrel with the action that has been taken.

In addition I want to point out that I have never received finer cooperation and more courteous consideration than that given me on my subcommittee by its chairman, the gentleman from Michigan [Mr. Ford], and by our colleague from Maryland [Mr. Miller], both of whom have rendered able and distinguished service. I want to say that this courtesy and consideration was shown also to me by all the members on the subcommittee on defense.

However, Mr. Chairman, I must say emphatically that I am not enthusiastic about the budget picture which has been presented to us, and particularly does that apply to the Army portion of the bill.

May I point out that last year the Army had \$12,900,000,000. Its staff was told to cut to the bone in preparation for this year's estimate. After having cut to the bone, the Army still requested an appropriation of \$10,100,000,000. They felt that was as low as they could safely go and do the job with which the Army is entrusted.

Actually the Department of Defense and the Bureau of the Budget recommended to Congress not \$10,100,000,000 but \$8,200,000,000, and of that amount this committee is recommending that the Army be given \$7,600,000,000. That means that the Army shall have to operate with one-fourth million fewer men than they would have had and without important reserves of supplies and equipment possible with the \$10,100,000,000, which they thought was the safe minimum.

Yet the Army still has highly important worldwide responsibilities but little different from those of a year ago.

I feel I should in all fairness point out that the cut in the Army's funds looks bigger than it actually is, because it comprises in part funds which will be restored by Deutschemarks, which will be paid to our forces by the German Government; there are some voluntary reductions by our Military Establishment because of the reduced program under which they were told they must live; and there is a carryover of unexpended funds from previous appropriations.

I think that fact in itself is fortunate, because the conditions under which the New Look in defense was developed no longer exist. I should point out that the budget preparation for this bill, which is now before you, started in the Department of Defense a year ago. A year ago there was a lull in world tension. Peace had finally settled over America's fighting men all over the world. A meeting of the Big Four was being talked about. There were indications that peaceable readjustments of the world's problems might at long last be within reach. Perhaps that is the reason the New Look in defense was devised-because of the desire for peace; because of a desire for economy. I certainly subscribe to those two things. Everyone does. So possibly that desire for peace and desire for economy led to

a proposal to substitute in part for military strength a state of watchfulness and readiness with increased mobility and improved weapons.

But, in any event, the cut in the size of the Army which has been proposed is a very real cut, and that is what we are voting on in this bill. Let me point this out: No longer is there a lull in world tension. The meeting of the big four brought us no nearer to peace than we were. No conference with the Reds has achieved anything more than compromises. A fire rages in Indochina today which overnight may break out into a world conflagration. The cooing of the Kremlin dove has long since ceased. War may come for us in Indochina tomorrow. Nobody questions the strategic importance of Indochina to the free world. We recognize that if Indochina should go Communist, it may be only a matter of time until the entire Pacific, including Japan, the Philippines, and Australia will go Communist too. I need not stress the gravity of such possibilities. It is not a pretty picture. France is vacillating. France may pull out of Indochina if the Geneva Conference is not more productive than other conferences with the Reds have been. She is vacillating on the EDC program which would permit a build up in strength by the democracies in Europe. She refuses to send draftees to fight beyond her own borders. She refuses to permit a build up of the forces of the Vietnamese troops comparable to that of the ROK forces. These we built up in what was one of the outstanding jobs of troop-training ever accomplished by any army anywhere. It was such an outstanding job that three-fourths of the battleline in Korea was manned by native troops when the fighting finally ended there. France has not permitted that sort of native troop buildup in Indochina. If France pulls out of Indochina we may be forced into the void. But whether or not American forces become involved in Indochina, we are not out of the woods elsewhere in the world. I want to quote from Gen. Matthew Ridgway on that. I do not need to tell you who he is or what his achievements are. He is one of the outstanding combat soldiers in uniform today. He is the man who reshaped the wrecked and battered American forces after the Chinese break-through in Korea and with those rebuilt forces drove the Communists back across the 38th parallel. He made a very clear statement of the danger which still confronts us when he said this before our committee:

I want now to present a brief analysis of the world situation in order to develop the background against which the problems facing the Army can best be appreciated.

There is no reason to expect abandonment of the ultimate intentions of the Soviet bloc to bring about our downfall, nor any reason for expecting any Soviet concessions on the major problems contributing to present international tensions. On the contrary, from our point of view, the strength of all major components of Soviet bloc military power continues to increase. Industrial capabilities continue to expand, and the bloc's overall objectives of overthrowing the Western World and securing world domination appear as unchangeable as ever.

He continued further:

The military power ratio between western defensive capability and the Soviet bloc's offensive capability is not changing to our advantage.

And yet we propose despite today's ominous situation to depend more and more on pushbutton warfare; more and more on superweapons. We are not ready to do this. It will not be possible to do so during fiscal year 1955. The sad truth is we have neither the weapons in quantity nor the men trained in their use.

Oh, the ones that we have are excellent and more are coming off the assembly lines all the time. We are getting ready as fast as we can, but we will not have them in quantity in fiscal 1955 nor for a long time to come.

I recall another period; I recall a time not too long ago when we depended on superweapons to prevent war. We felt that a monopoly of atomic weapons would prevent war. At one time when we had that monopoly. Remember? That was the pre-1950 New Look which brought us to the brink of disaster in Korea. There we were not saved by atomic weapons, not by the superweapons; but by heroic exertions and by hastily rebuilt conventional ground forces.

If this budget should be the pre-Indochina New Look we will find ourselves in serious trouble. We have again rebuilt our ground forces into a position of great military strength. Now we propose to cut that strength. I am reluctant to see us place too many eggs in one basket.

A few months ago the first hydrogen bomb was exploded. That carries a deep and sinister meaning to every person. We have achieved the ultimate in destructiveness. With half a hundred such bombs we could destroy the major cities of the world and most of its productive capacity. But by the same token our cities and our industries could be destroyed with similar weapons.

But remember this too. Since the end of World War II Russia has maintained in being large ground forces including mechanized and armored divisions and an effective tactical air force much greater in numbers than those of the free world, and during this time they have also been producing atomic bombs and building a strategic air force capable of delivering nuclear weapons on targets in the United States. But had you thought of this: In this struggle for atomic supremacy it may not be long until we have reached a plateau where the forces of communism and those of the free world will have neutralized each other in the field of atomic warfare so that each would be fearful of employing such weapons against the other because of the fear of retaliation directed at their homeland. We may find ourselves in the same position that we were in in World War II with reference to gas warfare when neither side was willing to initiate the use of such a terrible weapon. We may be reaching the point where no one will dare pull the trigger on that last total war that could destroy all of us, friends and foe alike.

It is much more likely that we will continue to have brush fires like Korea, like Indochina, for which this budget does not fit us to cope with. It may be that the Russians have carefully laid a trap in which we are about to walk.

I state this without equivocation, the Army will lose combat effectiveness under this measure. Because of the New Look it will lose combat effectiveness at a time when it may be very dangerous to do so. And again I quote General Ridgway, who said this:

I should like now to review the missions and commitments with which the Army has been charged under our national defense plans. These are of great concern, since we are steadily reducing ground forces, a reduction through which our capabilities will be lessened while our responsibilities for meeting the attacks of the enemy would remain unchanged.

I fear that we may be again placing ourselves in the peaks and valleys system of rapid and costly buildup during emergencies, which has characterized all previous emergencies and has resulted in great cost, not only in dollars but great cost in lives as well.

I feel that I must point out to the House, as I have done before, that there is no shortcut, no cheap and easy way, to win a war. We cannot coast to victory. It is our responsibility to do all that we can to be prepared for any emergency and to pray to God that the leadership which we have, or which may be called into service, can help us to find peace without war.

Mr. EDMONDSON. Mr. Chairman,

will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Oklahoma.

Mr. EDMONDSON. I would like to congratulate the gentleman from Florida for one of the most statesmanlike discussions I have had the privilege to hear on the subject of preparedness in this atomic age. May I ask the gentleman if he will yield for a question, either himself or the gentleman from Kansas [Mr. Scrivner], with regard to the Air National Guard program?

Mr. SIKES. I shall be glad to yield to the gentleman and will share the time with the gentleman from Kansas.

EDMONDSON. I was Mr. pleased to note that the appropriations bill provides for an additional appropriation of about \$12,900,000 over the 1954 figure for the Air National Guard, giving a total of \$160 million for the new fiscal year. But I was disturbed to look over on page 34 at the breakdown of the wing and squadron strength of the National Guard and to see that the wing and squadron strength will remain the same through 1955, 1956, and 1957 under the proposed plan of operation for the Air National Guard. I am wondering if there is any possibility of getting more strength for this orthodox defense of our country which is so important and which provides us so much defense at such a great return for the tax dollar.

Mr. SIKES. I share the gentleman's feeling about the National Guard and the Air National Guard. May I say that only the Army National Guard part of the budget was presented to my subcommittee. We will have a buildup in the

Army National Guard which will permit an additional 100 units during the coming fiscal year. I yield to the gentleman from Kansas to give the picture as it affects the Air National Guard.

Mr. SCRIVNER. The strength which the gentleman has read from page 34 has been the program for some time. If he will read the hearings starting on pages 776 and 777 he will see that the Air Defense Command, in reference to the Air National Guard-and we do not underestimate its value a single bit; as a matter of fact we have suggested it should be tied in more closely with the air defense of this continent—has asked that the National Guard make quite a few test mobilizations. The result has now demonstrated, as will be found on page 787, the feasibility of selecting our National Guard units to be consolidated in fairly closely with air defense, and that the Air Defense Command has now requested that this program be extended to a number of our National Guard locations. Not shown in the hearings, but in other discussions, in view of this situation there is now under way in the Defense Department a study which looks forward to some expansion of the Air National Guard and its closer cooperation with the air defense of this continent.

I think that all the way through our National Guard—General Wilson this year and General Ricks last year—is very well satisfied with the progress made and the type of program for the National Guard.

Mr. EDMONDSON. I appreciate that.
Mr. SCRIVNER. And I should note,
too, that each passing month more and
more of the newest and best jets are going into the hands of the National
Guard.

Mr. EDMONDSON. That is very fine. My understanding of the facts is that we get good defense in the air on about one-fifth of the cost per plane and operation and fighting cost through the Air National Guard that we get over in the regular Air Force. I do not say that in any way reflecting on the Air Force itself but simply as an indication of what can be accomplished by putting more money into the Air National Guard program.

Mr. SCRIVNER. Let me at this point further comment that all the equipment and material in the hands of the National Guard is always readily available and usable; it is always in good condition, and that was demonstrated in Korea when all of our National Guard equipment was immediately turned over to the Air Force, and that was one of the things that helped so tremendously. As an old National Guard man, and as many of you are, we are never selling any of them short.

Mr. EDMONDSON. I thank the gentleman.

Mr. ASHMORE. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from South Carolina.

Mr. ASHMORE. I want to commend the gentleman on his statement, particularly with reference to the Army. He seems to be an expert in that field. My question pertains to the reduction in force which I believe you stated was some 250,000 in the Army.

Mr. SIKES. That is the reduction in force below the level which would have been possible under the budget figure which was requested by the Army as the lowest figure with which they felt they could carry on their responsibilities during this period.

Mr. ASHMORE. The next question is with reference to the appropriation and the reduction of \$5 billion for the Army in this appropriation bill. Is that great reduction to be accounted for in merely a reduction in personnel? In other words, is that not a large reduction just because of the fact that 250,000 have been reduced in personnel?

Mr. SIKES. Those are servicewide reductions. They apply in practically all fields, and a substantial part of it, of course, is due to the fact that we are not having to provide in this bill for production and procurement.

Mr. ASHMORE. With some of the authorizations already made, would that naturally take care of the matter?

Mr. SIKES. There is some carry-over money which will be used during fiscal 1955 which does not show in this budget but it means a reduction in the future preparedness status of the Army.

Mr. ASHMORE. In other words, this reduction of \$5 billion does not necessarily affect the efficiency of the Army, would you say?

Mr. SIKES. I cannot agree to that. It most definitely affects the efficiency of the Army in an adverse way.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. SIKES. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. With reference to the \$5.3 billion reduction, is it not a fact that in the appropriation for the current year there was carried something like \$3.2 billion for procurement and production, and I do not know how much, but well over half a billion for Korea which are not included in the 1955 picture?

Mr. SIKES. That is correct, and it also is true that we are using carryover production and procurement funds for fiscal year 1955 rather than adding to our equipment stocks for war reserves, which we would otherwise have done. That in itself could get us into a serious problem in the event of a new conflict. We will have a smaller reserve of essential equipment.

Mr. WIGGLESWORTH. But, for a fair comparison, the 5.3 billion should be reduced, should it not, by at least \$3.7 billion?

Mr. SIKES. As I have stated before, the cut is not as big as it looks because of carryover and other things, but it still is a serious cut. Again I quote General Ridgway:

The imposition of expenditure ceilings for fiscal year 1954 and fiscal year 1955 has required a reappraisal of our materiel readiness objectives. Cutbacks and even cancellations of procurement contracts have had to be ordered. As a result, the active production base will be severely reduced. Under these new limitations, additional war reserves of only the most critical combat-type items will be procured. These additions are

considerably less than amounts previously scheduled for delivery.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 25 minutes to the gentleman from Maryland [Mr. MILLER].

(Mr. MILLER of Maryland asked and was given permission to revise and extend his remarks.)

Mr. MILLER of Maryland. Mr. Chairman, this measure we are considering today has been described by my distinguished colleagues as one that is very vital to our national defense and national existence. Of course, that is in no sense an overstatement. Our national welfare is at stake, and if we make a mistake in this particular bill we may have to pay very dearly for it.

The members of this subcommittee, the nine of us who have worked months over this bill, have certainly been conscious of that fact. This is something no one can just glance at, but must look hard at it, and then look some more and wonder whether or not we have done what is best, and then hope that maybe we will get divine inspiration and somehow succeed in bringing out the right answer.

Certainly in no sense, so far as our subcommittee is concerned, has this been a political matter. It is far too serious for that. The lives and welfare of all of us and all we hold dear ride on the success or failure of the program of our Defense Department. It is the function of this particular bill before Congress to give it the necessary sinews to carry out a plan.

As my very good friend, who is in my opinion one of the most able Members of the House, and who just preceded me in this, well, the gentleman from Florida [Mr. Sikes] has said, we are making a rather sharp cut in some particulars with respect to the personnel of the Army which is one of the three forces that is part of this essential team and the one to which our panel has given the greatest study. Figures are rather deceptive. There are many ways you can come at figures. For instance, if you will look on page 15 of the committee report, you will see that the Army will have available for obligation or expenditure during the coming fiscal year, under the bill as recommended by our committee, only some \$400 million less than it had for the current fiscal year. That came about in various ways, but one of the factors was that the previous bill provided for carrying on the shooting war in Korea for a full year, if necessary. Actually, the shooting war only went for about 1 month after that and there was a large carryover of funds. Nevertheless, we are admittedly reducing the numerical strength of the Army in a time of great world tension. Of course, it becomes important to look most carefully into the factors involved, lest we make a grievous error.

I think it would be worthwhile to look at the background in a rather broad way in approaching this problem. We are opposed by hostile peoples that are primarily Oriental in their thinking. Patience is their nature. Long periods of time mean nothing to them. We ourselves are as a people impulsive. We

want to rush in and get things over and done with. We have been told by our enemies that they expect us to defeat ourselves. They expect us to allow impatience or our fears or enthusiasms to wreck the capitalistic system.

That brings us to the so-called New Look. It is a trite phrase but it does not really express anything in one sense because our Defense Department must of necessity keep looking all the time, and every day there is a new look. That is the way it should be. But we find that in the past year there has been one very important change in the thinking of our leaders that has crystallized and that is perhaps the foundation of the so-called New Look. That is the giving up of what has been referred to as the D-day concept.

As you know, when we met with the sudden developments in Korea in 1950 we found that our defenses were woefully weak. We feared an almost immedate, sudden hostile attack. We started in on what is known as a crash buildup, to get as strong as we could as fast as we could, and cost was secondary. Then as time went on although we had not attained a sufficient defensive posture and the expenses and national debt were mounting it became obvious that a change in plan would be forced upon us one way or another. So, in the past few months the D-day concept has been discarded. Secretary Wilson has said that the D-day plan meant to him "disastrous war on depression," in either case a calamity. There are many factors which go with arming as fast as we can that are not only expensive but in the end may be disastrous.

Every day the change in weapons, the change in techniques, the change in know-how, make what we stock up with today obsolete tomorrow, or obsolescent, at least. Should we fill our shelves with munitions, procure everything we could possibly need for the outbreak of war, then our factories would close down, our assembly lines would shrink, our production base contract, and then should we get into all-out war we might be worse off than if we had less on the shelf but more on the production line.

Of course, the fundamental thing is that to keep our powder dry we must keep our economy sound. If we spend ourselves into hopeless debt we could lose that way, too. So it becomes necessary, if we discard the D-day plan, the plan of getting ready as fast as we can for war which may never start, and which because of our moral code we can never start, to have another program.

Those responsible for our overall planning have a difficult, probably the most difficult, role any trainers, managers, field marshals have ever faced because we cannot fix the time of a war. We will not start world war III, but our enemies are capable of opening up the action at any time. So we find ourselves in this preparedness race like a runner who is starting a race but does not know whether it is going to be a marathon. Obviously, if he is going to start off at a 10-second clip, he would not be able to hold out for twenty-some miles. The

same thing is true about our defense planning because if we hit such a fast pace in preparedness, and in a year or two we spend our strength and are out of breath at the end, our enemies, if they strike, will pick the time that suits them and not the time that we are most ready, and we might be like the distance runner who has burned himself out in the early laps of the race. So the New Look requires a military posture that is sufficient for the needs of the hour and can be maintained for years to come. Whether we are to start out at a rapid pace or whether we are to go on for years and years, it must be within our economic capacity. That, then, is the reason for the stretchouts that we hear about, the maintenance of our production bases, the efforts at economy. We must bear in mind that the purchasing power of the American dollar is the ultimate ammunition we have with which to face the future.

The increased firepower we have heard about, the increased strength of our allies, and the strengthening of our Reserve forces has made our thinkers believe that we can maintain our posture of readiness, and at the same time, as things are today, make reductions in the overall numbers we have in uniform. Of course, except for insurance, there is nothing more wasteful than large bodies of troops that are not fighting or fleets of ships of war or planes that are not in use. They are diverted from anything productive economically and they consume vast wealth. Therefore, if we are to be ready so that we can win this race even if it is a marathon race, we should hold standing forces at a minimum consistent with safety. On the other hand, we dare not have too few. What is the formula? The formula that has been brought to us represents the final thinking of the best military minds of our Our committee has gone Nation. through it, and that is the reason that we come before you today with this particular bill, believing that it represents the best that the combined wisdom of all our experts can produce. It does not necessarily follow that the leaders of the Army would not rather have a larger Army. I am sure that if I commanded the Army I would want a larger Army. It would be only natural that down in his heart General Ridgway would prefer to have larger forces. Nobody likes to work shorthanded. But if we are to succeed on a long-haul basis, and if we are going to be ready for a marathon, we have to do everything a little bit shorthanded now so that we may have something in reserve when the time comes to sprint.

The Army has made some very strong efforts along those lines. I think its leaders deserve to be complimented in many fields. Of course, your committee has made cuts here and there, but a number of major cuts have been volunteered by the Army so that they, themselves, have reduced what they initially felt was necessary. They deserve commendation for the progress they have made in cataloging, in the property-accounting system, supply management, stock fund, and industrial funds, all lead-

ing toward the ideal of getting more for the taxpayers' dollar, more defense for less money.

One of the things that has concerned our panel has been deferred maintenance. We have provided additional funds in the bill, more than we asked for as a matter of fact to protect our military plants. We have been pleased at the programs of reducing the use of military personnel for nonmilitary functions, particularly in overseas areas.

It has been brought very strongly to the attention of some of us who looked at some of our overseas installations that in many cases a native civilian can be hired for about one-fifth of the cost of maintaining an American in that area and without adding American dependents overseas. We wish to see the Armed Forces encouraged in using nonmilitary personnel where they are available.

The concentration of our uniformed men into combat roles therefore has received the encouragement of this committee.

Another very important matter in preserving our overall readiness is to have a strong civilian component for each subdivision of our defense department. We have been told that there is a very careful survey being made with the idea of improving, developing, and making more ready and strong the Army Reserve. I hope those plans will materialize.

We have suggested in our report on this bill that additional active duty training be provided for members of the Reserve components who would not normally be able to go for 2 weeks' summer training because of their inability to join up with some organized Reserve unit on a pay status.

We have, as my colleagues have pointed out, provided all the funds whether for armories or whatnot that have been asked for the Reserve and National Guard in the budget requests. We have gone so far as to say that should the National Guard recruiting program go better than anticipated and should it require additional funds, our committee would certainly look favorably upon supplying such funds at some later time if they are needed.

We have, if you please, then accepted as the best that we can bring before this body a plan that is in substantial accord with the budget requests made by the Department of Defense. This, in turn, is the composite judgment of the leaders of our Defense Department, both military and civilian. I trust that what we have brought to you is, in military parlance, an approved solution. I that it will meet the needs of the hour. I think I can assure you that if it does not, it will not be because the hearts and efforts of those of us who have worked on this during the past year have not been both sincere and continuous. I hope that we have brought you the proper answer, and I hope that the House will concur in what is our best effort.

Mr. MAHON. Mr. Chairman, I yield 5 minutes to the gentleman from Illinois [Mr. PRICE].

(Mr. PRICE asked and was given permission to revise and extend his remarks.)

Mr. PRICE. Mr. Chairman, in these perilous times the appropriations for our Nation's security deserve the closest

I find myself especially concerned over the adequacy of the proposed appropriations for the Air Force. It is true that the money recommended for the Air Force is less than 38 percent of the defense appropriations. I think we all realize, however, that this percentage is not a measure of the importance of the Air Force's role in our Nation's security. Certainly we have all come to recognize the predominant part which airpower must play in our country's defense.

The bill now before us contains about \$380 million less than the President requested for the Air Force. This represents a reduction of only a little more than 3 percent. I think it would be only natural for the Congress to tend to accept this proposed reduction because it seems so small. Certainly it seems like small potatoes compared with the \$5 billion cut in the Air Force appropriations pushed through by the Republican Party last year. Yet I am afraid that this reduction of \$380 million may well represent the straw that broke the camel's back.

I am no longer arguing that we should have a 143-wing Air Force by 1955. I recognize that because of the actions taken last year it is not possible to create that force in the time remaining. We are forced, therefore, to accept the calculated risk involved in stretching the buildup of our airpower from 1955 until 1957.

I do not feel, however, that this Congress should place the 1957 Air Force goal in jeopardy by again cutting the Air Force appropriations.

I realize that last year this House cut the Air Force budget below even the President's request and that most of the House's cut was subsequently restored by the Senate. I realize that the cut proposed this year may be a well-designed political move to show that this House is interested in economy with the knowledge that the Senate will have a chance to restore this cut if it appears desirable. I think, however, that when we act from such motives we are abdicating our responsibility as representatives of the American people. We should act upon this bill to the best of our knowledge and ability. We should vote as though the action was final. We should not attempt to salve our consciences through the knowledge that this bill must still be presented to the Senate.

I have read the committee's report carefully and with great interest. I know that the members of this committee have labored long and hard in an attempt to come up with a bill which will give us adequate security at minimum cost. I feel, though, that they may have been too close to their subject. With all due respect to the members of the committee, I feel it is up to the House to make sure that they have looked at the Air Force appropriation in its proper perspective.

It is gratifying to see that the committee has not made any cut in funds for Air Reserve personnel and the Air National Guard. I think their action reflects their appreciation of the role which our citizen Air Force must play in the security of a democratic country.

Certainly I have no quarrel with the reduction of \$3 million in the appropriation for contingencies. As a matter of fact it was encouraging to see that this particular reduction was recommended by the Air Force itself.

I was also pleased to see that the committee made no cut in aircraft and related procurement. I cannot refrain from pointing out, however, that this category was cut so drastically last year that I cannot foresee anyone's having the temerity to reduce funds for aircraft procurement this year.

I am very much worried, however, about the proposed cuts for major procurement other than aircraft, research and development, maintenance and operations, and military personnel.

The committee seemed to feel that the cut in procurement was justified primarily on the basis of a cut in funds requested for ground powered and marine equipment. If we accept this justification, it seems to me that we are falling into the false logic which argues if it does not fly the Air Force does not need it. Nothing could be further from the truth.

Obviously if it comes to a choice between buying an airplane and providing ground handling equipment, we must first have the plane. But the effectiveness of the plane itself is limited if we do not provide adequate supporting equipment. It is the same old story of the kingdom's being lost for want of a horseshoe nail. Certainly the horse was more important than the nail. But if we are going to buy the horse, it is only commonsense to see that he is properly shod since the safety of the Nation is at stake.

Again I see that the committee is proposing to cut funds for Air Force research and development. Some people might take consolation from the fact that Army research and development is only to be cut \$10 million and that Navy research and development is to be increased about \$360 million. That seems small comfort to me when Air Force research and development is to be cut \$21 million, to even less than last year's appropriation.

This is particularly disturbing at a time when the predominance of airpower is supposedly unquestioned. It is truly frightening when we reflect on the Soviet technical and scientific achievements in developing the hydrogen bomb. We have known for some time of the excellence of Soviet research and development through such aircraft as the MIG 15. In recent months we have seen that they are also making rapid progress with their long range bombers. knows what they may be doing in the field of guided missiles with the assistance of the German scientists they spirited away at the end of the last war?

We used to be able to achieve peace of mind through our knowledge of our technical superiority. Our margin of advantage is no longer so great that we can afford to continue to be complacent in the field of research and development.

Similarly, the proposed reductions in Air Force maintenance and operations should give us considerable pause. Since this part of the appropriation is the most technical and the most dependent on expert judgment, I do not feel thateven as a member of the Armed Services Committee-I can discuss it in detail. Here, if any place, I feel that we must depend heavily on the expert judgment of our Air Force. I think it is sufficient to say that it does us no good to buy planes and to pay personnel if we do not supply enough money to keep the planes flying. Certainly it does not make much sense to buy expensive aircraft and then to be niggardly in providing funds for maintaining and repairing those planes. Yet this is apparently what the committee proposes.

Finally, we come to the subject of military personnel. Apparently most of the proposed reductions results from changes pertaining to the use of foreign credits. Some \$10 million, however, is to be cut from funds providing for movements of individuals and household effects in connection with permanent changes of station.

I would be the first to agree both with the committee and the Air Force on the desirability of cutting down on transfers and extending the length of stay in a given location. It seems to me, however, that we may be jumping the gun in cutting these funds at this time. It will certainly not improve morale if dependents are prevented from joining military personnel overseas solely as a result of this reduction. I think we should wait to see the result of the expected policy changes before insisting on this cut.

In summary, I have calculated roughly that about \$120 million of the proposed \$380 million cut is adequately justified by the committee. This is justified on the basis of changes made by the Air Force itself, mathematical errors discovered by the committee, and changes in the use of foreign credits.

I propose, therefore, that the House restore \$260 million of the \$380 million cut proposed by the committee. This would bring the total to \$11,079,310,000 as compared with the original request of \$11.2 billion and the committee proposal of \$10.819 billion. I think in this instance we might properly permit the Air Force to apportion the additional amount among the various appropriations categories.

Let us not throw on the straw which broke the camel's back. Let us not fail to provide money for the horseshoe nail for want of which the kingdom was lost. Let us not take any further calculated risk beyond that which is already represented by the President's budget.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Does the gentleman realize that a great portion of this reduction was voluntary on the part of the Air Force and that the members of the committee know the reason for the re-

Mr. PRICE. Yes; and I cover that in my remarks. I am not criticizing the committee on every cut, but I am giving my views on the subject. But I think that the Defense Establishment sometimes yields too much before congressional committees. I know they have in the past and I know they have been guided frequently by pressure from the Budget Bureau.

Mr. SCRIVNER. In this instance I am talking about there was no pressure and I will be glad to tell the gentleman off the record why the reduction.

Mr. PRICE. That is true and I know of the items. Nevertheless, there are reductions in here harmful to the Air Force. There are some things in the bill I personally do not like. I am not raising any great issue on the overall appropriation, but I feel constrained to call attention to the fact that the Air Force is being cut to a great degree.

There is one provision particularly in the bill I do not like, and I cannot see how anyone who represents the Air Force could like it. I cannot believe the Air Force approved it. I refer to the one which provides for 100 hours as the maximum of flying time to maintain proficiency among our pilots. We may not feel the result of such restriction this year or next year, but I am certain over a 10-year period this one provision in the bill will be felt to the detriment of the Air Force. Certainly we cannot maintain proficiency among our fliers by placing a maximum figure of 100 hours per year. We must remember that 100 hours has always been regarded as a minimum time for maintaining fly-

ing proficiency.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 17 minutes to the gentleman from New York [Mr. OSTERTAG].

Mr. OSTERTAG. Mr. Chairman, I rise in support of H. R. 8873, known as the millitary appropriation bill. The expenditures contemplated under it represent a hard, clean program, which, in my judgment, covers the minimum that is advisable for us to spend at this time, and the maximum that is necessary.

When the defense appropriation bill for fiscal 1954 was submitted last year, a vast and comprehensive review of our plan for national security was under way. That review, commanded the sustained consideration of our highest military and civilian authorities for many months. It involved a reevaluation of our objectives and responsibilities in today's uncertain world. It embraced a re-study of the roles of our military services in the light of the new weapons; and it called for a reexamination of our military assistance programs.

Today, that study has been completed, insofar as such a study is ever complete, and the bill before us will help to implement the conclusions that were reached. It contemplates a military establishment of great and sustained strength, with immense striking power, if that should be needed; a military establishment of massive offensive potential and massive defensive capacity. It embraces a program which is based on the recognition

that military and economic strength are interdependent, and that sustained military strength is possible only when buttressed by a strong civilian economy. In brief, it represents a program of national security within a framework of national solvency.

The program envisioned will put highest emphasis on land and carrier based airpower. It provides funds for an Air Force goal of 137 wings by June 30, 1957, and for maintaining during fiscal 1955, 16 carrier air groups, 15 carrier antisubmarine warfare squadrons, 3 air wings for the Marine Corps, appropriate air support in combat for all the services, and an increased state of readiness for Air Reserve units.

Further recognition of the increasing importance of airpower is evidenced in its provisions for 122 antiaircraft battalions in the Army—an increase of 8 battalions over June 1953.

Under the program now before you, all of the services will continue to pare down unnecessary expenditures for manpower and materiel, while pressing steadfastly toward realization of the lean, hard strength that is essential to leadership in peace or war. Economies have been effected in countless ways, beginning first and foremost in the thinking of the men responsible for our security. They have worked unrelentingly toward the goal of more defense for less money.

Among the areas where money has been saved has been the field of procurement—especially aircraft procurement, where excessive forward financing was formerly eating up millions of unnecessary dollars. You may recall, for example, that last year we found we were financing aircraft models to replace other aircraft which had not yet been built. In other words, we were tying up funds to build replacements for planes which were themselves still on the drawing boards.

That sort of thing is being eliminated. More important, we are getting more combat effectiveness for our defense dollars. More personnel are being assigned to combat units, fewer to auxiliary and housekeeping units. More money is being spent on guns, tanks, and aircraft, and less on red carpets and chair pads. The number of civilians employed in the Defense Department has been steadily cut down, in large measure by not filling vacancies as they occur. Needless stockpiling of supplies is being curtailed. Business-type management of business-type production agencies in the armed services has resulted in further economies. Other factors which have made savings possible are, of course, the end of hostilities in Korea, the expansion of the ROK Army to replace American troops, and the inceasing strength of the NATO

The bill before you is designed to implement our Government's policy of providing massive retaliatory power as a deterrent to aggression. It envisions expansion of our airpower both on land and sea, and the modernization of our other land and sea forces.

It calls for the appropriation of approximately \$28.6 billions in new funds

for the next fiscal year. This, together with the carryover from fiscal 1954 and previous years will make approximately \$76.8 billions available to the Defense Department for expenditure or obligation in the coming fiscal year. Of the total available, approximately 28 percent is for the Army, 29 percent for the Navy, and 42 percent for the Air Force. The recommended appropriation is about \$5.6 billions below the amount appropriated in fiscal 1954. I have alluded to some of the areas in which these economies have been achieved. I might add that they fall chiefly into three categories-reduction in military personnel, economies in operation and maintenance, and economies in procurement and production. Economies in the last-named categories are possible because our stockpiles of some items such as combat and support vehicles and ammunition are sufficient for present needs, when taken together with our production potential. Aircraft, ship, and guided missile procurement will continue, however, at peak level.

With respect to our naval program, which is of major concern to me as a member of the naval panel of the Subcommittee on Armed Services, I may say that this bill envisions an active fleet of 1,080 ships. This is only 49 ships fewer than were in commission during the Korean conflict, and only 4 of the retired ships were major combatant

types.

The building program involved in the bill includes a new carrier of the Forrestal class, 5 new destroyers, a third nuclear-powered submarine and 2 submarines of the conventional diesel type and 8 destroyer escorts. The program also calls for modernization of 17 ships, including 1 Midway class carrier, 3 Essex class attack aircraft carriers which have already been modernized to some extent, but which still need canted decks; 1 escort aircraft carrier for use in Marine amphibious operations; 6 destroyer escorts and 4 Liberty hull cargo ships, which are being converted into radar pickets. In the program also are 1,040 new landing and service craft and funds for the continued upkeep of approximately 1,400 ships in the mothball fleet. I might say that the Navy has pressed steadily forward in improving and perfecting its existing equipment so that its combat capabilities are very great indeed. During the first 6 months of fiscal 1954 the second of 4 new destroyer leaders was launched; 6 new minesweepers were commissioned and 7 tank landing ships-LST's. The flight decks of two Essex class carriers were strengthened and equipped to accommodate jet aircraft, although they still need canted decks. Three more sub-marines have been converted into radar pickets to warn against surface and airborne attack.

Of the four Forrestal carriers which are presently contemplated under the Navy's offensive program, the first is expected to be ready in the fall of 1955, with the others following about a year apart. The carrier for which funds are sought in the present bill will be ready in 1958.

With respect to the nuclear submarine envisioned in this program, I might say that the Navy is concentrating on building a smaller and more maneuverable craft than those presently in existence.

The naval aircraft program contemplated in this bill envisions a naval air arm of 9,941 planes, some of which need to be modernized. A large number of previously funded aircraft will be delivered to the Navy during the year, however, so that there will be a steady rise in the percentage of modernized craft. Naval aircraft now includes sweptwing jet fighters of the radical tailless design, one type of which will carry and launch guided missiles. A sweptwing bomber, now in production, is designed to deliver atomic weapons from aircraft carriers.

Other new types of aircraft include specially designed antisubmarine types, and a new relatively fast helicopter for landing operations against an enemy possessing atomic weapons.

As in the other branches of the service, naval manpower is being reduced. From an estimated average personnel of 765,-086 in 1954, reductions will bring the Navy's manpower strength to 682,000 by the end of fiscal 1955. A reduction of the fleet and retrenchment in various fleetsupport areas will account for these reductions. There will be no impairment of combat strength.

The bill provides for a continuation of 3 combat divisions and 3 air wings, at full strength, for the Marine Corps. Here, again, however, there will be a cutback in onboard strength of the corps from an average of 241,539 in 1954 to 215,000 by the end of fiscal 1955. Despite this decrease, there is an estimated increase of 6,300 men projected for the Fleet Marine Force, which is the combatant element of the corps. Altogether, the Navy and Marine Corps appropriations, under the present bill, will come to \$9,705,818,500, which is about \$267 million more than was required in fiscal 1954. The increase is almost wholly for ships and aircraft.

All in all, the bill before you provides, I believe, for maximum strength at a feasible cost. It is based on recognition of the fact that, for better or worse, the world looks to the United States for leadership; and that we must lead from strength—armed strength, as well as moral strength. The two can and must go hand in hand. Indeed, in today's world, there is no other way.

Navy budget, 1955-Summary of committee recommendations

Appropriations,	1953	\$12, 842, 460, 000
Appropriations,	1954	9, 438, 310, 000
Budget, 1955		9,915,000,000
Subcommittee total		9, 705, 818, 500
Compared with	budget	-209, 181, 500

Note.-In addition, rescissions totaling \$225,000,000 from Navy (\$200) and Marine Corps (\$25) stock funds.

1. Military personnel (MSTS rates overstated, errors in computation, change of station, travel,

etc.) _____ \$12, 169, 400 is being eliminated.

Navy budget, 1955-Summary of committee recommendations-Continued

2. Projection of current operating savings and economies (consists largely of projection into 1955 of maintenance and operation type economies being currently realized in excess of those anticipated at time budget was prepared, as evidenced by latest forecasts of unobligated balances) ____ 3. Overpricing or overfunding of

various items____ 38, 055, 000 4. Liquidation cash (not re-11,000,000 quired in 1955). 5. Research and development

\$35, 275, 000

21, 735, 100 program_____ 6. Volunteered on basis of re-78,000,000 vised plans______7. Foreign-currency prov provision

(change in sec. 727)_____ 6, 500, 000 8. Penalty mail____ 1,338,000 items (carryovers, 9. Other 5, 109, 000 etc.) _____

Note.—All amounts are exclusive of military public works appropriations.

Mr. MAHON, Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from Texas.

Mr. MAHON. I think the gentleman is making a very fine statement and, as one of the older members of the subcommittee, I want to say that he and the other newer members are taking a very aggressive and active part in the bill and doing, in my judgment, a good job.

I rose to ask the gentleman to clarify more or less the statement which the gentleman made to the effect that the overfinancing of aircraft procurement was eating up unnecessarily millions of dollars. I think I know what the gentleman means, but I think one inference might be that this money was going to be wasted. Overfinancing aircraft would not necessarily cost the taxpayer any money if the same care were used in the procurement of the aircraft that were overfinanced as the aircraft that were precisely and more accurately financed, if the gentleman understands what I mean.

Mr. OSTERTAG. I agree with what the gentleman from Texas [Mr. Mahon] has said, except that where money is not obligated, of course it is not spent and is not tied up and therefore doing no harm.

Mr. MAHON. Yes. Mr. OSTERTAG. But where obligations for procurement have been made which in substance applies to aircraft not built and perhaps never to be built, then it is a waste of money; and there was some of that.

Mr. MAHON. If money is obligated, still it is not withdrawn from the Treasury, nor does it draw interest, until it is expended.

Mr. OSTERTAG. I agree with the gentleman.

Mr. MAHON. I think we share the same view.

Mr. OSTERTAG. My statement at that point was that this sort of thing

Mr. PRICE. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield to the gentleman from Illinois.

Mr. PRICE. I remember when all that type of information the gentleman has given used to be classified material.

Mr. OSTERTAG. In response to the statement of the gentleman from Illinois, I call his attention to the fact that all of this information appears in the records of the hearings and in the committee report.

Mr. HARDY. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield.

Mr. HARDY. With reference to the Navy's air strength, do I understand it is contemplated that the Navy's air strength will be continually improving?

Mr. OSTERTAG. It is improving constantly; yes.

Mr. HARDY. Can you account for the Navy's being able to reduce its maintenance force and still continue to improve its air fighting strength?

Mr. OSTERTAG. Do you mean man-

power?

Mr. HARDY. I am talking about manpower to maintain and repair aircraft that they are flying.

Mr. OSTERTAG. Yes; they can containue to reduce. Of course, the plan is to increase the indigenous and civilian personnel and release the military personnel for the purpose for which they are in the service.

Mr. HARDY. The plan is to increase the civilian personnel for maintaining aircraft?

Mr. OSTERTAG. I assume they have many places where that personnel will be used.

Mr. HARDY. As a matter of fact, just recently they went through a very sharp decrease in personnel for maintaining the aircraft.

Mr. OSTERTAG. Perhaps the reason for it is greater efficiency in the operation, and in the modernization of the aircraft.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. OSTERTAG. I yield.

Mr. WIGGLESWORTH. Is it not a fact that the improvement in the Naval Air Force is not an improvement in numbers, but an improvement in modernization?

Mr. OSTERTAG. Yes; it is a question of modernization.

Mr. HARDY. I am really just trying to get the picture straight because I, frankly, have not been able to under-stand it and the Navy has not been able to satisfactorily explain to me how they are able to replace the personnel with civilian personnel employed to maintain and keep in repair their operational planes and at the same time build up the strength of the Navy's air arm.

Mr. WIGGLESWORTH. The crease in strength is represented in improved models of the planes rather than in the numbers of the planes. The number of operational planes is at the peak now and will continue at that point in

the future.

Mr. HARDY. The number of operational planes will continue at its present level?

Mr. WIGGLESWORTH. That is cor-

Mr. TABER. Mr. Chairman, will the

gentleman yield?
Mr. OSTERTAG. I am glad to yield. Mr. TABER. Is it not also true that the present methods include purchasing only the spare parts that are needed and not a lot of things that they did not need and that that will have a great effect upon the maintenance operation?

Mr. OSTERTAG. It will have a very

decided effect.

Mr. HARDY. Does the gentleman contend that that will reduce the amount of time required to maintain these planes?

Mr. OSTERTAG. Of course, you are assuming in your question or in your statement that reduction in military personnel in the Navy is automatically applied in maintenance of aircraft and that is not true.

Mr. HARDY. No, I am thinking in

terms of civilian personnel.

Mr. OSTERTAG. Well, the same policy and practice would apply, whether

civilian or military.

Mr. HARDY. Only recently there has been between a 5 percent and 10 percent reduction in the overall civilian maintenance personnel for Naval Air Stations. It has disturbed me for, frankly, I was hoping that the gentleman could shed a little light on it because I could not get it from the Bureau of Aeronautics.

Mr. OSTERTAG. Mr. Chairman, I ask unanimous consent to extend my remarks at this point to include the committee's recommendations with regard to the Navy budget.

The CHAIRMAN. Is there objection to the request of the gentleman from

New York?

There was no objection.

Mr. WIGGLESWORTH. Mr. Chairman, in answer to the question raised by the gentleman from Virginia, I think that the decrease in personnel that he has noted merely reflects the increase in efficiency which we are getting all along the line, not only in the Navy but in other branches of the Armed Forces.

Mr. HARDY. Mr. Chairman, will the

gentleman yield?

Mr. WIGGLESWORTH. Certainly.

Mr. HARDY. I certainly hope that is true, but frankly I have not been able to see the evidence of it, and I have not been able to get anybody on a national level to say that that is the reason for

Mr. WIGGLESWORTH. I think the gentleman will find that it is true all along the line this year in respect to all three services.

Mr. HARDY. I would like, if the gentleman will permit, to make a comment in connection with the reduction of civilian personnel at naval shipyards. It happens I had a phone call today announcing that there is a further decrease in employment announced in my district today in the naval shipyard. Can the gentleman comment on that situation and as to what we can expect in the future?

Mr. * WIGGLESWORTH. I cannot comment on the specific action the gentleman refers to, but as I stated earlier, there has been a reduction in civilian personnel of over 151,000 in the three services since Secretary Wilson took over 15 months ago.

Mr. HARDY. Perhaps the gentleman will permit me one further observation: Returning to the air station question, which is the one that really disturbed me. We are getting a substantial reduction. Frankly, it was told me that this was made possible by the fact that new planes which had been expected had not been delivered. Now, if the new planes were not delivered that certainly is going to require more people to maintain the older ones which will have to fly. Would not the gentleman agree that that would be the logical assumption?

Mr. WIGGLESWORTH. I can only say to the gentleman that there are a total of 9,941 operational planes in the Navy at this time. That is the top level for operational planes and it will be continued in the future. In terms of modernization however you will see a very substantial increase all the way from 45 percent now up to about 87 percent in fiscal 1956.

Mr. HARDY. If the gentleman will just permit one further observation, I am certainly delighted to see that we are improving the type of planes that we have; I am thoroughly glad to see that. I also want always to see improvements in efficiency. Frankly, if I could be assured that reductions in personnel came about through improvement in efficiency I would not have a single complaint about what has happened in my district in that regard.

Mr. WIGGLESWORTH. I think the gentleman will be very much encouraged if he will look into the matter of increased efficiency all along the line.

Mr. HARDY. I thank the gentleman, but I am not sure that this has yet been demonstrated.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 20 minutes to the gentleman from Nebraska [Mr. HRUSKA].

(Mr. HRUSKA asked and was given permission to revise and extend his remarks.)

Mr. HRUSKA. Mr. Chairman, we have had some discussion here during the course of the afternoon about the adequacy of the appropriation bill amount. I think one factor we probably should bear in mind on that particular point is that over the last 4 years and including the amount contained in this particular bill there will have been appropriated a total of \$218 billion for the armed services. If we approve the bill substantially as it has been written and is now before this body there will be available for expenditure \$78 billionplus as of July 1, 1954.

For the long pull if it means anything in connection with this budget, and with the program for the Armed Forces, I wonder if it would not be well for the cost of continued maintenance of a force goal once achieved to be considered as

well as its initial cost. Take, for example, the 137-wing Air Force goal. Popular thinking usually stops with the building and delivery of the planes; yet that is but the beginning, and that is where the expense really starts. Of course, America can afford and is affording the cost of building those thousands of planes which are necessary for that 137-wing goal. But after all, bases, buildings, and runways have to be built. Men have to be recruited and trained; there have to be repairs, maintenance, equipment, spares and spare parts, and then, of course, we have the replacement of planes as time goes on.

It has been estimated that the cost of maintaining a 137-wing Air Force, once it has been completely built, will approximate \$15 billion per year. It is interesting to note that with the Air Force on the buildup, we have a recomendation in the pending bill for the Air Force of only \$10.8 billion in comparison with that es-

timated cost of maintenance.

When these things are taken into consideration, it is easy to understand why it has been the desire of all to get the most for our defense dollar. The testimony which was given from time to time before the Air Force panel, discloses that tremendous strides have been made toward greater strength and efficiency in the Air Force.

Some of its major accomplishments along this line include:

First. Activation of 9 combat wings: medium bombers, 1 light bomber, 5 fighter, 1 tactical reconnaissance.

Second. Activation of support units: Includes 10 air transport squadrons, 1 tow target squadron, 3 aircraft control and warning squadrons, 2 radio relay squadrons.

Third. Increase of annual pilot training rate from 7,200 to 7,800.

Fourth. Expansion of North American air defense network: (a) Activation of 10 sites; (b) reequipping of 19 sites at additional personnel cost.

Fifth. Increase in NATO support. Sixth. Establishment of 20 additional operating bases.

Seventh. Continuation of combatready status of forces in Korea.

When Secretary Talbott took over in January of 1953 he testified there were about 100 activated wings, 85 to 90 of which were operational. In February, 1954, when he appeared before us, he testified that there were 112 activated wings, about 100 of which were operational. In the meantime much improvement had been made in the 85 or 90 originally operational by way of increasing their combat readiness, and by way of modernizing them; to wit, by replacing the propeller-driven planes with jet planes. A year ago the goal and the expectation was that by June 30 of this year 110 wings would have resulted, whereas the actual fact will be that on June 30 this year there will be 115 wings, plus the additional 23 wings and 67 squadrons of the reserves and 27 additional wings and 87 additional squadrons for the National Guard.

In that same period of time from June 30, 1953, to June 30 of this year, the number of active operational planes in the Air Force alone will have increased from

18,412 to 21,010.

One of the more specific instances of improvement is found in the field of military personnel. Under the January, 1953, manning standards and manpower policies, the requirements for 115 wings appeared to be 1,031,000 military personnel. Actually as of June 30, 1954, when we will have 115 wings, plus 3 essential Air Transport squadrons and several miscellaneous flying units previously considered to be beyond the Air Force capability as of that date, they will be manned with not more than 955,000 military personnel as compared with the earlier planned figure which I gave you of 1,031,000. Instead of using military personnel on the basis of 1,053,000 for 120 wings as called for by the early 1953 manpower plan, the same kind of economy actions and results obtained from them to date will enable the Air Force to man not 120 but 127 wings with fewer military personnel. Instead of using 1,053,000 for the 120 wings they would use 1,018,000 for 127 wings by the end of fiscal year 1956, and 1,042,000 military personnel to man 137 wings by the end of fiscal year 1957.

Now, that is using the plans of economy which have been put into force up to date and as are outlined in the Air Force hearings by Assistant Secretary of the Air Force White starting at page 98 of the Air Force hearings. But, the Air Force has assured us that they are confident that by introducing additional policies moving in the direction of manpower economies they will be able to effect even greater savings in this field of personnel. Testimony before the committee was that 127 wings in 1956 will be manned by 975,000 military personnel and 137 wings by the end of the fiscal year 1957 with 975,000 military personnel. It is interesting to note that originally the manpower estimates for a 143-wing Air Force were as high as 1,700,000 military personnel.

Improvement has also been made in civilian personnel insofar as reduction thereof is concerned. In the Air Force the civilian strength was about 316,000 as of February 1, 1953. Eleven months later there were 289,000, or a reduction of some 27,000 in that short time. For the entire Department of Defense, Secretary Wilson testified that from January 1953 to the end of 1953 a total reduction of about 150,000 civilians was effected, and he went on to say, "I can assure you that we have not hurt the defense effort one particle by doing it. As a matter of fact, we have improved the morale and improved the operations."

Of course, on that kind of a basis and that kind of a showing it is not hard to see why the committee was pleased with the results produced thus far in that particular field. Great savings are reflected and effected not only in dollars but, even more importantly, in terms of services of men and the many materials and supplies and all the supporting facilities needed to sustain them while in service.

In discussing and making comparisons of previous and earlier plans with

the actual experience, no disparagement whatsoever is intended of these previous plans. Certainly, no one would impute any bad faith or intentional misfiguring or improper computation of those plans, but we have been reminded here on the floor earlier today, and it is true, that we engaged originally on this program by way of a crash type of program. were war conditions which prevailed at the time. We were working on new equipment, new kinds of airplanes, weapons, communications, and many other phases of our armament and equipment. Of course, we benefited tremendously by the experience which we have gained in the interim.

One rather notable point in that same connection is the project Native Sons, so-called, whereby foreign nationals are used for work for which they are capable if such hiring results in the replacement of military personnel who could then be assigned to combat service. There are many benefits in that type of displacement and substitution. In the first place, the rate of pay is lower. A Japanese, for example, can be hired for about \$800 a year, a Frenchman for about \$2,100, and I presume comparative rates of pay could be cited at other places. There is also a saving of support type activities. For example, food, clothing, housing, hospital treatment, traveling costs, and postwar benefits need not be furnished and are all items of substantial savings where the project Native Sons is employed. In addition, there results improved relationship with foreign countries where this particular practice is located or where it goes on.

Now there is contemplated by way of further improvement in the personnel field the extension of this native-son principle to the continental United States so that civilians would be called upon to take over a good part of the work of the airmen in such cases where the airmen could thereby be released to their true mission and their proper function, which is combat duty.

Questions have been raised, I understand, along that line, and a query has been put: Will that type of practice result in an undesirable and an unnecessary expansion of the civilian payroll? In the first place, there are safeguards placed around that. The substitution of civilian for military personnel is designed for use only when it will release an airman to combat duty; and, secondly, we have the protection of the financial limitations where there would be a transfer of funds from military personnel account to civilian personnel account. That would have the effect of. governing that situation very well. Certainly, the favorable experience of the native-son project abroad entitles it to a fair trial here in the zone of the interior, or in continental United States.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. HRUSKA. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman recognizes that this policy was severely criticized in past years, does he not?

Mr. HRUSKA. Yes; we appreciate that.

Mr. McCORMACK. What about the security investigations of these civilians who are citizens of other countries?

Mr. HRUSKA. It is my understanding that as many precautions as possible are being made and taken abroad. They are likewise being taken here or are contemplated here. There are many types of duties and many types of work which do not especially involve a question of security considerations.

Mr. McCORMACK. So that this is a new, definite policy in respect to a large-scale employment of civilians of other countries under certain circumstances?

Mr. HRUSKA. On a broad scale, yes, though it is not entirely new. It is being encouraged as much as possible, as I understand it.

Mr. McCORMACK. Suppose Americans are willing to go abroad and work there. What then? Is there any preference given them?

Mr. HRUSKA. I understand that there is not.

Mr. SCRIVNER. Mr. Chairman, will the gentleman yield to me?

Mr. HRUSKA. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Of course, to transfer American citizens abroad would defeat one of the major purposes of this program, which is economy. In other words, if we transport Americans over there, we have got to take care of them. We must provide hospitalization. Their dependents may have to go along with them. We may have to ship food to them. We may have to transport their household furnishings, and so forth. An American civilian would cost almost as much to maintain over there as an American military person. Under this program Native Son we can get five to six French or German civilians for the cost of one military.

Mr. McCORMACK. I appreciate that fact, but there are other implications involved, I am sure the gentleman recognizes

Mr. SCRIVNER. Yes; we discussed many of them.

Mr. McCORMACK. I am glad to hear my friend admit that this is an entirely new policy that was criticized considerably in the past when it was carried on on a much more limited scale.

Mr. SCRIVNER. I have not been unaware of the criticism. We have been discussing this for quite some time. Those of us who have been overseas and watched this operate feel that it is a pretty sound program of economy.

Mr. McCORMACK. I can see the element of the saving of dollars, and I am not interposing any objections. I am simply making inquiries for the Record so the people will know that this is an entirely new policy.

Mr. SCRIVNER. It is not new; it is perhaps an expansion.

Mr. McCORMACK. Oh, a tremendous expansion. It was severely criticized when it was operated on a limited scale in past years and there are many implications involved that have got to be carefully guarded against.

Mr. SCRIVNER. What we are primarily interested in is making available more men for combat duties. For in-

stance, in Japan, as was pointed out in the hearings, there was a group of American soldiers who were driving cars for the officers and some others, when they might just as well have had Japanese driving those cars. They were just ordinary passenger cars. The cost there would have been something like one-tenth of the cost of having the American soldier do that work, and he could then go into a combat unit.

Mr. McCORMACK. The gentleman's observations I am aware of, but I simply want the record to show that this is a substantial increase and for all practical purposes a new policy, so far as this expansion is concerned, in the numbers involved. The policy was severely criticized in the past, and I was wondering whether or not Americans who might want to go abroad would be given first consideration for employment; I mean, in clerical or stenographic jobs, and so forth.

Mr. SCRIVNER. My own view would be no, because the aim of economy would be defeated by that. This is relating to indigenous civilians for replacement of military personnel, not the civilian personnel.

Mr. McCORMACK. I appreciate the gentleman's frankness, but I also appreciate there are other implications involved that might be very disturbing in the future.

Mr. HRUSKA. It might be observed that there are some undesirable features of the continued employment for that kind of work of the military just as they are, and it is the balancing of those undesirable features and the disadvantages thereof against those which might inhere in the present status which resulted in the decision the way the decision has gone.

Mr. McCORMACK. Do citizens of other countries, employed by this Government abroad, have to take an oath that they are not members of the Communist Party?

munist Party?

Mr. HRUSKA. I am not informed on that. Maybe some of those who were abroad this summer could answer that question. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Generally the conditions are governed by the Nation itself. In other words, we cannot impose our own views and ideas upon the other sovereign nation, but in many instances there is a check made. There are some places that disturb us. We discussed that in the committee. We would like to have greater cooperation from one of the foreign nations, at least, in bringing about just exactly the situation of which the gentleman is speaking.

Mr. McCORMACK. I recognize we cannot impose our views on foreign nations, although I wish sometimes there were closer collaboration and appreciation. Nevertheless, when we are employing someone we are not imposing our views on a foreign nation. We can impose that requirement as a condition precedent to employment, because such a requirement affects employees of the Federal Government once they are employed and put on the rolls. So the condition is different in relation to an in-

dividual seeking employment than it is in relation to a government.

Mr. SCRIVNER. I think we are speaking pretty much the same language on that

Mr. McCORMACK. I was wondering if the oath which our own citizens have to undergo, that they are not members of the Communist Party, would also be applied to such people in foreign countries. I just wanted to explore that, because it seems to me there is more vulnerability there than there might be among our own citizens as far as infiltration is concerned.

Mr. HRUSKA. I should like to comment just briefly on some of the results of inspections made by our committee; for example, the Air Defense Command, but more particularly on the Strategic

Air Command.

A question has been raised from time to time whether or not the Strategic Air Command can do its job. We did make a visitation at several of the Strategic Air Command bases. We had a thorough briefing on one occasion with the committee, and on several occasions by myself personally in the command head-quarters.

It is my studied conclusion that there is certainly every indication of a full understanding of its mission within the Strategic Air Command. There is every indication in the equipment, in the training of the crews, and in their morale that there is a full capability of performing its mission. There certainly is every reason to feel that the outstanding and vigorous leadership of its commanding general has made its effective mark on the command under him.

Gen. Nathan Twining, Chief of Staff, USAF, flatly answered the question as to whether SAC could do the job, as follows:

The Strategic Air Command is the best trained and finest equipped long range striking force in the world. It is capable of delivering on short notice the highest yield nuclear weapons on targets located any place in the world during daytime or nighttime.

Those who have had an opportunity to observe and become informed are in ready agreement with this judgment.

Finally, in regard to flight pay, which earlier this afternoon was referred to briefly, page 7 of our report clears up a misunderstanding of that type and which apparently had prevailed within the service itself.

I read as follows from the report:

The committee received testimony that the limitation on proficiency flying was, in certain instances, interpreted to restrict flying for training purposes. The history of this limitation, including the debate on the 1954 bill, includes no statement to the effect that training flying is to be limited. It is the intent of the committee that this limitation be so administered as to leave no question that training flying, as determined by the Secretary, is excluded from the limitations contained in section 721 of the bill.

Mr. Chairman, most of the important aspects of our committee report and the bill pertaining to the Air Force were ably and adequately analyzed and commented upon by the gentleman from Kansas, chairman of the Air Force panel. It is not my intention to duplicate in those areas. But I should like to join with him

and with others of the subcommittee in approving the measure and urging its passage by the House.

Mr. WIGGLESWORTH. Mr. Chairman, I yield such time as he may desire to the gentleman from Kansas [Mr. Rees].

(Mr. REES of Kansas asked and was given permission to extend his remarks.)

Mr. REES of Kansas. Mr. Chairman, as chairman of the House Post Office and Civil Service Committee, I would like to congratulate the members of the House Appropriations Committee on the economies and savings to the taxpayers which have been brought about largely through the careful pruning they have made in expenditures in the Department of Defense.

I note from the committee's report on the Department of Defense budget for the 1955 fiscal year that from January of last year to February of this year—slightly more than a year—millions of dollars have been saved through the trimming of 162,161 positions, a large part of it, I understand through the process of attrition or abolition of unneeded positions as they have become vacated through retirement, resignations, and similar reasons.

Translated into terms of savings to the American people, this reduction from a staff of 1,329,795 from last year to a reduced total of 1,167,634 early this year, undoubtedly means savings of billions of dollars over a period of time.

I know the present heads of the Department of Defense have, also, cooperated in putting these economies into effect.

I was also glad to note that the committee hearings and report referred to a study reported by our House Post Office and Civil Service Committee, among others, relating to large wastes of manpower through the use of what is known as the "military counterpart" system.

In this connection, I call attention to page 5 of the House Appropriations Committee report on the Department of Defense appropriations, as follows:

Military personnel in civilian occupations and dual supervision by military and civilian personnel have been subjects of inquiry by committees of the Congress whose general conclusions point to considerable savings through proper utilization of each category.

It is gratifying the members of the Appropriations Committee have recognized our studies in this field. Members of the committee, knowing this work was being carried on for us by Comptroller General Lindsay Warren, have been able to make reductions in personel expenditures for the 1955 fiscal year in the military agencies in the assurance that our further studies looking toward elimination of dual staffing will make it more easily possible to attain further job reductions.

On April 11 we were pleased to release the results of a study conducted at our request by Comptroller General Lindsay Warren indicating that there are hundreds of instances of costly civilian and military manpower waste in top level supervisory jobs in the military agencies.

Mr. Warren's report, covering surveys of 11 Army, Navy, and Air Force field installations, and 9 top-level organizational units, so that a true cross sam-

pling could be obtained, gave us firsthand information on 232 positions in the military agencies which were dually occupied by military and civilian personnel. The results were as follows:

First. In 54 cases the dual staffing was found to be unjustified, and reductions in staffing were made.

Second. In 29 cases, the justifications for the dual staffing were not yet determined, but the validity of some of these positions too appeared clearly questionable.

Third. In another 50 cases the Comptroller General's report indicated some were justified and others were question-

Fourth. In only 86 cases was the dual staffing found to be justified by the workload, and in another 13 cases the dual staffing was supported on the basis that the 13 military officers in these jobs needed the experience and training that the positions afforded them.

These 232 cases of dual staffing, while representing an excellent cross sampling, are only a relative few of the many instances of such staffing believed to still exist. When projected throughout the military services as a whole this sampling indicates there may be hundreds of such instances, as we reported in our release of April 11.

I note further in the report of the House Appropriations Committee that it is contemplated to make further reductions of positions totaling approximately 43,000. I hope that a good bit of this can be accomplished by a further application of the attrition principle.

Where you have a military officer and a civilian sitting side by side on a job with work for only one, one can be assigned elsewhere where his work will be more useful, without harming the efficiency of any of the operations.

The House Post Office and Civil Service Committee will be happy to work toward a reduction of the military counterpart of dual staffing, with a view toward assisting the Department of Defense in economies.

With this in mind, I have assigned to our standing Subcommittee on Manpower Utilization, headed by the able gentleman from Pennsylvania [Mr. Cor-BETT], the task of making a thorough investigation of dual staffing in the military departments.

In conclusion, I would like to emphasize that in the economies which we have already reported in elimination of dual staffing, and in other economies made which were not included in the figures quoted, we have had excellent cooperation in the Department of Defense. There have been some unfortunate instances where the need for self-analysis has not been recognized, but on the whole we wish to commend the many officials who have given us their wholehearted cooperation. One notable instance of this was at Keesler Air Force Base where, through the cooperation of the Air Force, studies resulted in elimination of 158 supervisory positions; this was all at 1 installation alone, mind you.

In the further studies of our subcommittee, we also expect the wholehearted cooperation of the miltary branches and

officials of the Department of Defense. We believe that through cooperative self-analysis we can point the way toward economies which will go a long way toward meeting the personnel reductions indicated in the new budget without endangering the livelihood of civilian career servants and without impairing morale and efficiency in the Department of Defense.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. REES of Kansas. I yield to my friend the distinguished friend from Texas.

Mr. MAHON. There is a question which disturbs me a bit in connection with the ceiling in this bill on the number of civilian employees. At one time, I believe, we carried a limitation of about 500,000 civilian employees, the classified employees in the Department of Defense.

Mr. REES of Kansas. I believe the

number was set at 475,000.

Mr. MAHON. It disturbs me a little when I consider that perhaps the people in the Department of Defense would more or less fix this 475,000 figure as a floor rather than as a ceiling, if the gentleman knows what I mean.

Mr. REES of Kansas. Yes, sir, I do. I share his concern.

Mr. MAHON. It seems to me that some greater economies in civilian personnel could be effected. I think, if we eliminated the ceiling altogether, we might achieve more economy; yet, on the other hand, we do not want to turn this thing completely loose. Of course, when we provide the funds, we fix the ceiling. We have discussed in the subcommittee the wisdom or the unwisdom of the ceiling. I wonder if the gentleman has given that any thought, and if he has, what his reactions are?

Mr. REES of Kansas. I am in general agreement with the statement just made. I understand that the number of 475,000 has been reduced to 450,000. That is approximately the number on the roll at the present time. So there has been some reduction. I would like also to advise the gentleman that our Committee on Post Office and Civil Service has been making a study of this personnel problem especially as it relates to dual service or dual compensation, where we have a number of Army officers or Army personnel doing the work of civilian personnel, or putting it another way, where we have civilian and an Army officer or an enlisted man doing practically the same work. It is described as counterpart. We have been dealing with that in our committee. In fact, a subcommittee of our committee met this afternoon and had this problem under consideration. I should also tell you that the Comptroller General's office has been most helpful in making surveys for and on behalf of our committee. We have surveyed some 19 installations out of the total of 600 or 700 in this country, and we have come up with some rather important information and recommendations. In fact, we will have a report in which I know the gentleman will be deeply interested. We expect to have that report filed within the next few weeks. It will show that there have

been reductions; many because of the investigations and surveys that we are making. I agree with the gentleman that there ought to be some method of handling this problem without just arbitrarily saying the number ought to be 475,000 or 450,000 or whatever figure they might decide upon.

Mr. MAHON. I wonder if the gentleman would not also agree with me that there are cases where you need a civilian, perhaps, and a military individual doing the same thing. That is not true in all cases, but I think there are instances where you need that kind of overlapping, perhaps, in order to train the military man or, perhaps, in order to insure continuity of the work, but, of course, I would not say that that should be the general practice.

Mr. REES of Kansas. I agree with the gentleman. There are comparatively few cases. In respect to these survey teams we are using, it is not a matter of going in and criticizing the agency and saying, "You are all wrong about it." We are using the services of the Comptroller General's office. They are rendering good service. They go in there and work with the agency and they are making these surveys at the request of our committee, and in a real construc-When the final report is tive manner. made the results will be revealing. I am sure. We have already received preliminary reports that are quite revealing.

Mr. MAHON. I think the study is important and should be pursued.

Mr. REES of Kansas. I agree with the gentleman. It ought to be pursued and continued. Again I want to thank the gentleman from Texas for his fine cooperation and service he has rendered in dealing with this problem.

Mr. WIGGLESWORTH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. COUDERT].

(Mr. COUDERT asked and was given permission to revise and extend his remarks.)

Mr. COUDERT. Mr. Chairman, I am taking this opportunity to briefly describe and explain an amendment that I am planning to offer to this bill tomorrow. I want also to make perfectly clear what this amendment is not as well as what it is. Perhaps I had better reverse the normal order and explain first what it is not.

It is not criticism of or difference in any way, shape, or form with the President of the United States.

It is not an attempt to prejudge in any way, shape, or form the advisability, wisdom, or necessity of participating in any new armed conflicts anywhere in the world at any time.

It is not an attempt in any way, shape, or form to exercise any influence or to affect in any way, shape, or form negotiations going on in Geneva or elsewhere: and any attempt to construe it in any other fashion would be highly unfounded and contrary to the fact.

The amendment which I shall read verbatim in a moment for the record is intended to go along with and to take at face value the declaration of our great President, Mr. Eisenhower, that he will not and would not commit the United States to armed intervention in Indochina without the consent of Congress.

All this amendment will do if adopted by the Congress is to put into the law exactly what President Eisenhower has said would be his practice and his interpretation of constitutional limitations, to wit, that there should not be military adventure engaged in by a President on his own responsibility without participation by the Congress pursuant to the provisions of the Constitution of the United States, as was the case in Korea. This amendment will read as follows:

None of the funds appropriated by this act shall be available for any of the expenses of maintaining uniformed personnel of the United States in armed conflict anywhere in the world: Provided, That this prohibition shall not be applicable with respect to armed conflict pursuant to a declaration of war or other express authorization of the Congress or with respect to armed conflict occasioned by an attack on the United States, its Territories, or possessions, or attack on any nation with which the United States has a mutual defense or security treaty.

Those exceptions are fairly obvious, but perhaps they had better be spelled out.

Declaration of war or other express authorization of the Congress is, of course, perfectly clear.

Attack on the United States, its Territories, or possessions is equally clear.

Attack upon any nation with which the United States has a mutual security or defense treaty includes the NATO treaties which means all the 12 powers of Western Europe that comprise the NATO organization. It includes the Inter-American reciprocal aid treaties which include all of the American nations, the pan-American world. It includes the tripartite treaty between the United States, New Zealand and Australia. It, of course, includes our treaty with Japan and Korea.

So this limitation, if adopted, would in no wise limit the freedom of action of the President to carry out treaty obligations as he sees it his duty to do under all of these mutual security pacts which already bind us to the defense of 573 million people living on 19 million square miles of the earth's surface. All this amendment will do will be to prevent, by limiting the right to use the funds, any more Koreas entered into irresponsibly by any President without the participation of Congress and solely upon his own individual responsibility.

Now, that cannot possibly apply to the present incumbent of the White House because he has already made his position clear. Unhappily, however, despite the advances of medical science. mankind has not yet achieved immortality, and if this Nation goes on there will be other Presidents in the future as there have been other Presidents in the past. It seems to me, therefore, that this is a great opportunity, the President taking the same position that this amendment would take, for the House to take action to reassert its right to participate in the most important business that any government ever transacts, the business of war or peace, which is the business of life or death of a nation and of the men and women which constitute its population.

Here we are considering a bill which is the most important business that the House will be confronted with for some time, providing funds for the armed services. We have already through the Selective Service Act given to the administration or the President, whoever he may be, complete power over the manhood of the Nation through the power of conscription. We are providing \$76 billion to be made available for the Defense Department when this bill is passed. There is no limitation upon where a President can if he chooses send those men and use those resources in war or in peace.

I submit, therefore, and I do it with great diffidence and respect for the wisdom of my colleagues, that they would do well to ponder the advisability of using the power of the purse, a constitutional power which the Congress possesses, to buttress and protect the power of determining upon war and peace, which is also guaranteed to the Congress by the Constitution but which we discovered in the recent Korean tragedy can be bypassed if a President chooses to do it.

I submit we will be subject to criticism possibly if we do not take some such action. This is not a new thought with me. I originally, 31/2 years ago, in January, offered a resolution to limit the use of funds for foreign troop commitments or foreign wars without the consent of the Congress. I have introduced that year after year. I urge my colleagues, Mr. Chairman, to give this matter their most earnest consideration. It involves a vital question, vital to the life of the Nation; it involves, in my humble judgment, the whole question of the role that the Congress is to occupy in the future, the elected representatives of the people. After all, whoever controls the warmaking power controls the Nation, and if we are prepared to continue to abdicate the constitutional power of deciding upon war or peace, we, the Congress, might just as well go out of business.

Let me repeat again that I cannot conceive how favorable action on this could be construed in any way as an act of weakness by the United States or could be used to undermine the position of our negotiators in Geneva and elsewhere. We are not saying by passing this amendment that the United States will not intervene militarily in Indochina under any circumstances, if it seems wise and proper and convincing evidence establishes the necessity therefor. It would simply mean that we, the elected representatives of the people who provide the blood and the sinew and the bone and provide the money, insist that our constitutional rights be respected and that there be no such armed intervention in Indochina or elsewhere, now or in the more distant future, without full participation of the Congress in the fateful decision

The CHAIRMAN. If there are no further requests for time, the Clerk will read.

The Clerk read to the end of line 7 on page 1.

Mr. WIGGLESWORTH. Mr. Chairman, I move that the Committee do now rise

The motion was agreed to.

Accordingly the Committee rose; and the Speaker pro tempore, Mr. Nicholson, having assumed the chair, Mr. McCulloch, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agencies for the fiscal year ending June 30, 1955, and for other purposes, had come to no resolution thereon.

STATEHOOD FOR HAWAII AND ALASKA

The SPEAKER pro tempore. Under previous order of the House, the gentle man from Louisiana [Mr. Passman] is recognized for 30 minutes.

Mr. PASSMAN. Mr. Speaker, probably most of the Members of this House shared my recent privilege of seeing and hearing President Eisenhower when he delivered his nationwide radio and television address. Our President very ably and conscientiously arrested a fear in the minds of the American people relative to Communist infiltration, and truthfully pointed out that the matter of Communist infiltration in our country had been greatly exaggerated. It was a fine address. The President, in my opinion, was quite correct in assuming that Americans are troubled about communism and the methods used in combating it, but he does not wish to have the American people thrown into a fit of fear by overexaggerating the menace. Certainly he made it clear that our Nation is concerned about the implications of the Hbomb the general state of our Nation's business, and the unemployment situation.

But there is yet another matter which is deeply troubling many Americans, and not a few Members of this body, about which the President was strangely silent. I am referring to the proposals to grant statehood to Hawaii and Alaska.

Legislatively, both Territories are to-day closer to statehood than they have ever been. Our body overwhelmingly approved the Hawaii bill, and, as you know, a companion measure providing statehood for Alaska has been favorably reported by the Committee on Interior and Insular Affairs. The other body, on April 1, passed a joint Hawaii-Alaska bill by the same impressive 2 to 1 margin by which the House passed the Hawaii bill last year. Thus, the sole remaining impediments to statehood for the two Territories are that this House approve of Alaska, and that the President approve both.

Mr. Speaker, if statehood is now denied these two deserving Territories through failure of the Congress and of the President to close this small remaining gap, then every individual responsible for that disgraceful occurrence will richly deserve censure of history. For we will have failed not only the disfranchised Americans of Hawaii and Alaska, we shall also have failed to respond to

the express wishes of a substantial majority of the people we represent.

A great majority of the Nation's press; every recognized poll of public opinion; our own mail; and yes, our own consciences, tell us that Hawaii and Alaska need, and are ready for, and are justly entitled to statehood; and that 3 out of every 4 Americans favor this action.

Mr. Speaker, the American people are fair-minded, and time and time again they have shown that they are wise; wiser by far than they are sometimes given credit for. I firmly believe that the 3 out of 4 Americans who favor statehood for Hawaii and Alaska do so, first, because they know that the colonial status of these Territories is repugnant to the letter and the spirit of our form of government; they know that if "taxation without representation," and, "government without the consent of the governed," were tyrannies 178 years ago, they are equally so today.

I believe the American people also realize that the free peoples of the world and the evil forces of international communism are locked in a battle to the death for the minds of men, and their sound judgment tells them that we are denying ourselves an important victory in that struggle when we fail to give our Alaskan and Hawaiian citizens their full birthrights as American freemen.

There are yet other reasons why this body should take prompt action to insure statehood. I would remind my colleagues that failure to act will violate the platform pledges of both of our great political parties. That of my own party unequivocally favors statehood for both Territories. The platform of the other great party pledged statehood for Hawaii, and statehood for Alaska under an equitable enabling act. In this connection I am informed that the majority leader of the other body, Senator Know-LAND, and his equally distinguished colleague, the chairman of the Senate Interior and Insular Affairs Subcommittee, consider the Senate Alaskan bill to be equitable. Is it not fitting and proper that the Members of this body should have equal opportunity to examine and express an opinion on this score?

Too, Mr. Speaker, it would appear that the President is under equally strong moral compulsion to support statehood for both Hawaii and Alaska. Not simply because the American people who gave him his office have clearly expressed their wishes in that direction—though that alone would appear to be sufficient reason—but also because, the Denver Post reports, on Saturday, September 16, 1950, in an address to 1,500 Denverites gathered at the Freedom Bell, General Eisenhower emphatically went on record in favor of immediate statehood for both Alaska and Hawaii.

General Eisenhower said in that address, and I quote:

Statehood for the two Territories, and granting them self-government and an equal voice in national affairs, is in conformity with the American way of life. Alaskan and Hawaiian statehood will serve the people of the world as a practical symbol that America practices what it preaches.

It is difficult to see how the President could now take a stand contrary to that

clear-cut position as regards Alaska without raising in the minds of the American people the question of whether the pressures of political expediency had influenced his change of attitude. For Alaska today is not less qualified—morally and physically—than it was in 1950 before General Eisenhower became a candidate. She has, in fact, stronger qualifications, which include almost 50 percent more people than she then possessed.

Surely her need for statehood is as great, or greater, for the same factors that have throttled her economic growth are still present. The Federal Government still owns over 99 percent of Alaska's land area, and this bureaucratic grip on the Territory's economic windpipe will continue to throttle its economy until statehood brings relief.

The Federal Government still operates the Alaska Railroad—the only railroad from tidewater into the interior—and shortsightedly continues to strangulate the development of Alaska's interior by imposing tariffs which make for ton-mile costs that are eight times the United States average. Ocean freight rates to Alaska are also exorbitantly high and mainly so because of a shipping monopoly which discriminates against Alaska with the full knowledge and consent of the Federal Government.

Merchandise produced in our Eastern States and intended for Alaska would logically move westward to Prince Rupert, British Columbia, a port less than 50 miles south of Alaska's southeast tip. Under United States law, only American vessels may carry cargo to or from Alaska, and the closest United States port is Seattle, Wash., 600 miles to the south of British Columbia. Yet the same law permits the more economical movement of identical merchandise in ships of any country from Prince Rupert to any United States west coast port. Is it any wonder, in the light of such rank discrimination and shortsightedness as this, that the development of this great Territory has been retarded?

For almost 100 years Alaska has been looted and blighted as a consequence of Federal stewardship. Is it not high time we abandon this miserably performed task of absentee-management and turn the job over to the people of Alaska?

Clearly then, Mr. Speaker, the criticism of inadequate development leveled against Alaska by some critics of statehood should more properly be charged against the Federal Government. Just as surely as the flowers of May follow the showers of April will we see Alaska's economic development flower from the beneficent showers of statehood. It has been so with each of our States; it will be so with Alaska.

Then, there are those who would deny statehood to Alaska because it is not contiguous with another State. It is indeed fortunate for the great State of California that such reasoning was considered out of date 100 years ago. In 1850, when the State was admitted, Missouri was the most westerly State on the stagecoach route to San Francisco. The 1,500 intervening stateless miles of mountains and wilderness were populated mostly by hostile Indians, and the

fastest stagecoach time for the California to Missouri journey was 25 days. Most travelers to Washington and New York found the 15,000-mile sea voyage around Cape Horn more comfortable and safer. It took in excess of 3 months.

Yet, California, under statehood, be-

Yet, California, under statehood, began to flourish immediately, despite this 1,500 mile gap, and became a homogenous part of our Federal Union? Why?

Simply because the overland journey from Ohio, Missouri, New York, and Massachusetts did not change the fundamental beliefs of California's pioneers. Nor did the sea voyage. These people remained Americans in all essential characteristics.

Is it not high time we realize that this applies equally to Alaska? For the plain truth is that 3 out of every 4 Alaskans are Kansans, Californians, Texans, or Pennsylvanians, and former residents of other States, who, following the example of their pioneer forefathers, pushed on to make their homes and seek their fortunes in this, our Nation's last remaining frontier area. And, like all Americans, they want the dignity of first-class citizenship. It is neither just nor logical that they be penalized for having exhibited the same pioneer qualities we have admired in our own grandfathers.

To contend, as some do, that the prime requisite of a State is that it physically touch another State appears to me to be confused thinking, not only in the light of precedent, but also because those who reason thusly must then concede that the Republic of Mexico, which is contiguous with Texas, New Mexico, Arizona, and California, is, per se, an eligible candidate for statehood. I cite this example to make a point because you understand, of course, that Mexico is an independent Republic and not a candidate for United States statehood. May I further add that I mean no offense to our great neighbor to the south by this reference; I should judge that her people are completely happy with their own fine Republic.

I repeat, I believe the example will serve to show my colleagues the complete invalidity of the argument that contiguity is the prime qualification for state-hood. Now, Mr. Speaker, I am persuaded that the prime qualification for state-hood, in 1954, should be what it has always been, namely, that the residents of the petitioning area be good American citizens.

If they are not, mere physical nearness would not make them good citizens. If they are, then the fact that it takes 12 or 20 hours to fly from Juneau or Honolulu to Washington will not prevent these citizens from becoming homogeneous Americans. I submit that the basic factor which holds us together as a Nation is not that our States are physically contiguous with each other, but rather, the tie that binds is our common loyalty to certain fundamental principles and beliefs.

If any of my southern colleagues conscientiously believe to the contrary, I should like to remind them that in 1861 the fact that we were physically contiguous with the northern States did not keep us together as a Nation. We found then that we differed in certain funda-





Digital Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Starf Only)

Issued For actions of April 30, 1954 April 29, 1954

83rd-2nd, No. 79

CONTENTS

Adjournment	5.11	Forestry22	Purchasingl
Appropriations		Fruits and vegetables 9	Reclamation18
CCC		Housing	School lunch15
Containers	9	Legislative program5,11	St. Lawrence Seaway.4,7,11
Dairy industry 6,1		Organization, executive8	Surplus commodities
		Personnel14,21	6,10,12,15
Flammable fabrics.	13	Price supports2,19	Trade, foreign3
Food, distribution.	6,12,15	Property	all de

HIGHLIGHTS: House passed defense appropriation bill. (Amendment to increase milk ration was ruled out of order.) House Rules Committee cleared St. Lawrence seaway bill. Senate concurred in House amendment to bill authorizing court review of Government contracts. Sen. Thye introduced and discussed bill to distribute surpluses through voluntary agencies to needy abroad.

SENATE

- 1. CONTRACTS. Concurred in the House amendment to S. 24, to provide for court review of Government contracts (pp. 5413-4). This bill will now be sent to the President.
- 2. PRICE SUPPORTS. Sen. Forse inserted a statement by N. V. Weatherford opposing flexible price supports (pp. 5475-6).
 - FOREIGN TRADE. Sen. Malone spoke in favor of protective tariffs, etc. (pp. 5429-31).
- 4. ST. IAWRENCE SEAWAY. Ser. Wiley spoke in favor of this project (p. 5421).
- 5. RECESSED until Mon., May 3 (p. 5436). The bill to amend the Taft-Hartley law was made the unfinished business (p. 5433).

HOUSE

- 6, DEFENSE APPROPRIATION BILL, 1955. Passed with amendments this bill, H. R. 8873 (pp. 5438-79). An amendment by Rep. Roosevelt, to increase the daily milk ration to 1 quart and to have the extra amount paid for from CCC funds, was ruled out of order (pp. 5446-7).
- 7. ST. MANRENCE SEAWAY. The Rules Committee reported a resolution for consideration of S. 2150, to authorize this project (p. 5494).
- 8. INTERGOVERNMENTAL RELATIONS. Rep. Goodwin was appointed to the Committee on Intergovernmental Relations (p. 5437).

- 9. CONTAINERS. The Interstate and Foreign Commerce Committee was authorized to report today (during adjournment) H. R. 8357, to amend the Standard Container Act so as to provide for a 3/8 bushel basket (p. 5484).
- 10. DAIRY SURPLUS. Rep. Marshall inserted USDA press releases on plans to use some of the dried-milk surpluses for livestock feed, and he objected to this plan (pp. 5484-5).
- 11. ADJOURNED until Ton., May 3 (p. 5494). Rep. Halleck announced that the Consent Calendar will be considered Ton., the Private Calendar on Tues., and that debate on the St. Lawrence seaway is to begin Wed. (p. 5480).

BILLS INTRODUCED

- 12. SURPLUS CONTODITIES. S. 3377, by Sen. Thye, to provide for the effective distribution through voluntary agencies of surplus agricultural commodities abroad to needy persons; to Agriculture and Forestry Committee (pp. 5406-7). Remarks of author (pp. 5407-9).
- 13. FLATTABLE FABRICS. S. 3379, by Sen. Purtell, to amend the Flammable Fabrics Asso as to exempt fabrics and wearing apparel which are not highly flammable; to Interstate and Foreign Commerce Committee (p. 5407). Remarks of author (pp. 5409-13).
- 14. PERSONNEL. H. R. 8947, by Rep. Broyhill, to amend the Civil Service Retirement Act; to Post Office and Civil Service Committee (p. 5494).

 H. R. 8950, by Rep. Scott, to extend the Classification Act to additional positions; to Post Office and Civil Service Committee (p. 5494).
- 15. SURPLUS COLODITIES. H. R. 8952, by Rep. Roosevelt, to authorize the transfer of funds available to CCC so as to increase the ration of whole fluid milk for the armed services and for school lunches; to Agriculture Committee (p. 5494).
- 16. SURPLUS PROPERTY. H. R. 8953, by Rep. Wampler, to permit volunteer fire departments and rescue squads to receive property surplus to the needs of the Federal Government; to Covernment Operations Committee (p. 5494).

CONTITUE HEARINGS RELEASED BY GPO

- 17. HOUSING. S. 2889, S. 2938, and S. 2949, proposed Housing Act of 1954. S. Eanking and Currency Committee.
- 18. RECLAMATION. H. R. 4443, H. R. 4449, and H. R. 4463, Colorado River Storage Project. H. Interior and Insular Affairs Committee.

ITEMS IN APPENDIX

19. PRICE SUPPORTS. Sen. Kefauver inserted E. G. Shinner's article favoring price supports for small farmers only (pp. A3109-10).

Sen. Thye inserted an article by A. D. Stedman opposing the reduction in

dairy supports (p. A3116).

Rep. Patterson inserted a report on the Conn. College of Agriculture conference on agricultural policy, analyzing price-support problems (pp.A3117-8).

Rep. King, Pa., inserted a Christian Science Monitor article favoring

flexible price supports (p. A3125).

20. FERTILIZER. Rep. Hays, Ohio, inserted an Ohio Farm Bureau News article favoring the Hells Canyon project in order to get cheap power to develop the phosphate

House of Representatives

THURSDAY, APRIL 29, 1954

The House met at 11 o'clock a. m. The Reverend Edward J. Craddock, Nashville, Tenn., offered the following

prayer:

Our Father, who art in heaven, may Thy name be exalted in all the earth, Thy will be done. We are thankful for past blessings, for Thy guiding hand in all things. Lord, today we pray for guidance. Give us the faith of Abraham, to live beyond ourselves with ultimate good in mind. Like Solomon we seek wisdom to do the right thing. May parents with David say, "Except the Lord build the house, they labor in vain who build it." Give our young people Gideon's discipline and will to leadership. May they see in us, most of all, integrity, that, like Joshua, we may know our own minds. Like Paul, may we be committed with the sense of mission for life or death.

God bless the President, the Congress, all leaders of Government, and all the people. In Jesus' name. Amen.

THE JOURNAL

The Journal of the proceedings of yesterday was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H. R. 2098. An act to provide for the compensation of certain persons whose lands have been flooded and damaged by reason of fluctuations in the water level of the Lake of the Woods.

The message also announced that the Senate had passed a bill of the following. title, in which the concurrence of the House is requested:

S. 2655. An act to amend the Classification Act of 1949, as amended, and the Federal Employees Pay Act of 1945, as amended, and for other purposes.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, a bill of the House of the following title:

H.R. 8481. An act making supplemental appropriations for the fiscal year ending June 30, 1954, and for other purposes.

The message also announced that the Senate insists upon its amendments to the foregoing bill, requests a conference with the House on the disagreeing votes of the two Houses thereon, and appoints Mr. Bridges, Mr. Ferguson, Mr. Cordon, Mr. SALTONSTALL, Mr. HAYDEN, Mr. RUS-SELL, and Mr. McCarran to be the conferees on the part of the Senate.

SPECIAL ORDER GRANTED

Mr. FORAND asked and was given permission to address the House for 30 minutes on Monday next, following the legislative program and any special orders heretofore entered.

FILING OF CERTAIN CLAIMS UNDER WAR CLAIMS ACT OF 1948

Mr. HINSHAW. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 6896) to extend the period for the filing of certain claims under the War Claims Act of 1948 by World War II prisoners of war, with a Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill.

The Clerk read the Senate amendment, as follows:

Line 7, strike out "November" and insert

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

SPECIAL ORDER GRANTED

Mr. ANGELL asked and was given permission to address the House for 15 minutes today, following the legislative program of the day and any special orders heretofore granted, and also to revise and extend his remarks and include extraneous matter.

CALL OF THE HOUSE

Mr. SCRIVNER. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Obviously, a quorum is not present.

Mr. HALLECK. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 571

	•	
rrett	Dorn, S. Dak.	McDonough
ttle	Doyle	Martin, Iowa
nder	Engle	Metcalf
ykin	Fine	Morrison
mp	Gamble	Murray
rlyle	Graham	Norblad
atham	Haley	O'Konski
nelf	Harrison, Va.	Osmers
ardy	Hart	Pilcher
osser	Herlong	Powell
irtis, Mo.	Howell	Radwan
irtis, Nebr.	Jenkins	Reed, Ill.
ane	Kearney	Richards
es	Kersten, Wis.	Roberts
ngell	King, Calif.	Saylor
ollinger	Klein	Shafer

Lantaff

Sutton **T**alle Thompson, Mich.

Walter Warburton Weichel Westland

Wier

The SPEAKER. On this rollcall 371 Members have answered to their names,

By unanimous consent, further proceedings under the call were dispensed

APPOINTMENT TO COMMISSION ON INTERGOVERNMENTAL RELA-

The SPEAKER. Pursuant to the provisions of section 2, Public Law 109, 83d Congress, the Chair appoints as a member of the Commission on Intergovernmental Relations to fill the existing vacancy thereon, the gentleman from Massachusetts, Mr. Goodwin.

SPECIAL ORDERS GRANTED

Mr. HYDE asked and was given permission to address the House for 15 minutes today, following the legislative program and any special orders heretofore entered.

Mr. SHEEHAN asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders heretofore entered.

CORRECTION OF ROLLCALL

Mr. KNOX. Mr. Speaker, on rollcall No. 56, I am recorded as being absent. I was present and answered to my name and ask unanimous consent to have the RECORD and the Journal corrected accordingly.

The SPEAKER. Is there objection to the request of the gentleman from Michigan [Mr. Knox]?

There was no objection.

SPECIAL ORDERS GRANTED

Mr. KEOGH asked and was given permission to address the House for 10 minutes today, following the legislative program and any special orders hereto-fore entered, and that following his remarks Mr. Thompson of Texas be permitted to address the House for 5 minutes.

CORRECTION OF THE RECORD

Mr. SHELLEY. Mr. Speaker, I ask unanimous consent that the permanent RECORD be corrected to rectify an error in remarks I addressed to the House on April 6, 1954. The correction would require striking the phrase "which holds the contract for the second supercarrier," from the fourth paragraph, third

column, of page 4472 of the Congressional Record for April 6.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

DEPARTMENT OF DEFENSE APPRO-PRIATION BILL, 1955

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 8873, with Mr. McCulloch in the chair.

The Clerk read the title of the bill.

Mr. CANNON. Mr. Chairman, I move to strike out the last word, and ask unanimous consent to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. Mr. Chairman, this is unquestionably the most important bill to be considered in this session, in this Congress, and possibly in the last several years. There is no issue that transcends in urgency or in importance the national defense—the safety of the Nation.

On this bill, Mr. Chairman, I go along with the President of the United States who possibly is better qualified to pass on military matters than anyone else in the Nation today. And I go along with the Joint Chiefs of Staff, although—as you may have had opportunity to observe—the Joint Chiefs of Staff, as Mr. Dooley said of the Supreme Court, "goes along with the election returns."

We have been impressed, as the distinguished gentleman from Massachusetts [Mr. Wigglesworth], the chairman of the subcommittee reminded us, with the tremendous amount of money involved. But, efficiency in appropriation is not governed by the amount of money involved in a bill. The essential consideration, the determining factor is the manner in which that money is allotted by the bill. We can appropriate millions of dollars more than is required and lose the war. Or we can allocate a much lesser fund more advantageously and win the war.

The subject with which we are dealing here is a very old subject. The earliest recorded history is a record of wars, and from that earliest day down to this, history is a continuous recital of the annals of war. But, Mr. Chairman, it is also a new subject, possibly the newest subject that could be brought before the House this morning. War today, and war in the future, are so different as contrasted with all previous wars—so different in

methods, strategy, and weapons—as to challenge all comparison.

In every previous war, we have fought for victory. Defeat merely meant indemnities and humiliating treaties. But in the next war we fight for survival. Defeat this time means extermination. Free government will perish from the earth and our cities will become as Nineveh and Tyre.

Again, this war differs from every previous global war, in that we have always been the last to be engaged. Heretofore we have always had allies that bore the brunt of the first attack and held the enemy until we could arm and develop power to deliver the final blow. This time they will pass our allies by and America with her shining cities and boundless wealth will be the first marked for destruction, leaving the rest of the civilized world to be devoured at leisure. We must be alert and ready when our outposts signal the lightning approach of the first bombers or we will never be ready at all.

Third, we have entered all former wars with a morale buttressed by a record of unbroken victories. In every conflict we have dictated the terms of peace and without debate or deprecation the enemy has signed on the dotted line.

But in Korea we repeatedly sought an end of hostilities. And an insolent and nondescript people, who had never occupied a place in the family of nations, dictated the time and place of negotiations and largely dictated the terms of what the representatives of the Armed Forces, appearing before the committee in the hearings on this bill, termed "an uneasy armistice." And we have been unable to secure a treaty of permanent peace to this day.

So unsatisfactory were the negotiations and the terms of the protocol that Vice President Nixon told 400 newspapermen last week that "the Korean truce may have been a mistake and perhaps we should have fought to a decisive victory." But it is too late to rewrite the record now and we must face the next war with the shattered faith of our allies and the exultant and accelerated confidence of the enemy.

Again, Mr. Chairman, in every former war we have been insulated and protected by the broad bulwarks of continental oceans behind which life went on as usual and business proceeded without appreciable interruption. Aside from the boys we sent across, the war hardly touched us. But the next time every inhabitant-men, women, and childrenin the remotest hamlet in the land, will be under attack and in the line of fire. Death and devastation will drop from the skies and even if we win the war—of which there is no complete assurancethere will be hardly enough left to celebrate the victory-or with composure or spirit enough to care to celebrate it.

And then, Mr. Chairman, in every previous war we have fought with superior weapons. We have equipped our men with planes, tanks, guns, and all of the paraphernalia of war better and more

effective than any they had to meet in the air, on the ground, or under the sea.

Neither the Japanese nor the Germans realized they were fighting against proximity fuse bombs and other new and improved equipment. Not until after they had surrendered did they know that the weapons which decimated their ranks so accurately had never been used on any battlefield before. And they died in windrows at Hiroshima and Nagasaki before they ever heard of the atomic bomb. In both Europe and Asia it was the superiority of American weapons that ended the war.

But this time the enemy has the superior weapons. They were first to perfect the jet plane. Our engineers could get it up in the air but could not get it down. And they were manufacturing jet planes in quantity while ours were still in the experimental stage. They put the first snorkle submarine to sea and have today three times as many modern underwater craft as the rest of the world combined. And they have over a hundred more trained and equipped divisions than the allies combined can put in the field.

They have just notified us defiantly and belligerently in the last 10 days that they have the atomic bomb and they have the H-bomb in ample reserve and that they are ready and prepared to use it on a minute's notice. And notwith-standing our ultimatum to them that we will tolerate no encroachment from any quarter, they are equipping and directing the forces relentlessly closing in on Indochina.

Now, I am not an alarmist. I eschew the role of a Jeremiah. But no one is so thoroughly deceived as those who deceive themselves. Let us face the facts as they are. Let us see the situation as it is. When attack comes it will come like a thief in the night. There will be no notice, no declaration of war, no warning. I tried by repeated questioning to get the Secretary of Defense, when he appeared before the committee, to tell us how vulnerable the country isto give us an estimate of how many attacking planes we could knock down in event of attack. That is the one question before any council or defense today. He refused to say.

But we have dependable information on that question. And to ignore it is to hide our heads in the sand.

There is some division of opinion as to the exact extent of the area which would be devastated by a modern bomb, either the atomic bomb or the H-bomb.

But it is a matter of general knowledge that the enemy today has bombs which, if dropped upon Washington, or any similar city, would encompass an area of complete destruction for a diameter of 7 miles. Predictions have been made of bombs which would engulf apart of a continent. But for present purposes 7 miles is enough. It is also a matter of common note that the Department of Defense has from Russian sources a list of 86 American cities arranged in the order of priority of attack;

including, of course centers of production, centers of communication, and population which if attacked simultaneously would so completely destroy the nerve centers of the Nation as to render

us powerless to retaliate.

Early in 1951 we were told by those best qualified to testify on the subject that out of every 10 bomb-laden planes which Russia sent against American cities 7 out of 10 would get through. And then we were told in October of 1951 that barring some mechanical defect. out of every 10 planes Russia launched against American cities 10 would get through. We have been told of no positive means of stopping a single plane after it leaves the borders of Russia.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentle-

man from Massachusetts.

Mr. McCORMACK. May I say to show how correct the gentleman is that only the early part of this month, April, the Administrator of Civil Defense said that we would have only 15 minutes' notice of attack. That means that the attacking plane would be within 60 to 75 miles of a city to be attacked before the city would have knowledge of its approach, except an inland city, which might have a little more warning. The Assistant Administrator made a speech the other day in Boston in which he said that anywhere from 33 to 75 percent of the attacking planes can get through, which would result in millions of Americans being killed and wounded; in other words, the loss of millions of Americans.

Mr. CANNON. The gentleman has touched upon one of the most vital features of the situation before us.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

(On request of Mr. Cannon, and by unanimous consent, he was allowed to

proceed for 5 minutes.)

Mr. CANNON. Mr. Chairman, we have spread across the American Continent a vast network of radar screens. and we have established listening posts in every accessible part of the world, in order to be apprised if and when any hostile planes cross the top of the world in battle formation. The time of warning is a matter of conjecture. Some talk about 6 hours warning, some talk about 15 minutes warning, but we can be certain that the enemy in choosing their time will give us wholly inadequate warning. Unless we have devised in the meantime some means of stopping these planes-some means of interception, our only defense is to evacuate the city. That is the only practical defense that has been suggested up to this timejust get the people out. At the same time we are confronted with the fact that we can evacuate no city of any size in less than 6 hours.

Mr. JENSEN. Mr. Chairman, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Iowa.

Mr. JENSEN. Last year with several other Members of Congress I made a tour around the world. We visited many nations, we skirted the Iron Curtain all the way. I must say at this

time, and I think it should be mentioned. that we found the military high command of every nation that we visited well aware of the conditions and the position of the Communist forces. We were greatly encouraged to know of the safety methods that are being taken in connection with the radar system and by every other manner and means possible to keep the "commies" boxed up.

Mr. Chairman, I may say to the gentleman from Missouri and to the Members of the House and to the American people that they have today around the world the finest military forces all of whom are well aware of the great responsibility which rests on their shoulders. May I say also, with great emphasis, that not only myself but every member of the committee was greatly encouraged and felt a sense of security in the knowledge that we are doing everything possible, our military forces and every branch thereof are doing everything possible to keep the would be or supposed enemy boxed up to the best possible degree.

Mr. CANNON. The gentleman from Iowa always adds materially to the information and logic of any debate, and this is no exception to that rule. I wish that those who represented the Armed Forces before the committee for many weeks could have given us that assurance.

The CHAIRMAN. The time of the gentleman from Missouri has again ex-

Mr. CANNON. Mr. Chairman, I ask unanimous consent to proceed for 2 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Missouri?

Mr. GROSS. Mr. Chairman, reserving the right to object, and I shall not object, but I hope that later on we are not going to be limited to 1 minute or half a minute or something like that on amendments.

The CHAIRMAN. The time is within the control of the committee.

Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. CANNON. In the days when dueling was the accepted custom, an expert marksman, who had a record of having killed a dozen men, insolently and gratuitously challenged a businessman who had no familiarity with arms. But the man challenged always had the choice of weapons, and in this case selected sawed-off shotguns to be fired at a distance of 2 feet. The duel was not fought. That is our position today. Both nations have atomic weapons. We face each other at a distance of 2 feet with sawed-off shotguns. And in this bill we appropriate for our sawed-off shotgun. We hope that in this instance, as in that historic instance on the Bladensburg flats, it will not be necessary to use the shotgun.

Mr. Chairman, I do not think that this bill completely satisfies any one Member of the House on either side. If rewritten by any Member of the House, it would be at least slightly different. Perhaps that is its virtue. But laving aside the bill, no one can review the evidence adduced before this committee without realizing that any preparation except as a deterrent is futile. We must not go to war. War, even if we win, is suicide. There will be neither people nor country left. Let us pass this bill as recommended by the President of the United States as expeditiously as possible. But let us understand at the same time that if it ever becomes necessary to use the facilities for which the bill provides, civilization has failed. And nothing matters in the dark ages which will engulf the world.

Mr. SHORT. Mr. Chairman, I move to strike out the last two words.

Mr. McCORMACK. Mr. Chairman, if the gentleman will yield, the gentleman from Missouri is chairman of the Committee on Armed Services. Does the gentleman want more than 5 minutes? I am sure we would all like to hear some of the views the gentleman has.

Mr. SHORT. I do not want to unduly trespass upon the time and patience of

the Committee.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman be permitted to proceed for 10 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. SHORT. Mr. Chairman, I take the floor at this time to pay an humble but well-deserved tribute to the gentleman from Massachusetts [Mr. Wigglesworth], and to all the able members of his subcommittee on both sides of the aisle who have worked so long, hard, and diligently in the preparation of this splendid bill. In my opinion, the subcommittee has rendered a great service not only to all the Members of the Congress but to the entire American people. We all know that as long as there are brigands abroad and aggressors let loose in the world the United States must, out of sheer necessity for survival, remain strong on land, sea, and in the air. Our Military Establishment is the biggest business on earth.

Mr. Chairman, a day or two after his confirmation by the Senate of the United States the Secretary of Defense paid me a courtesy call at my office. I told him at that time, early last year, that I considered the President and the American people fortunate in getting a man of his long, successful business experience, his hard, practical sense, to dispose of his stock and to accept one of the most onerous and burdensome positions in the United States Government, one that forced one man to jump out of a window and another to resign. While he employed 486,000 people in General Motors. the greatest corporation on earth, and did an annual volume of business of approximately \$7 billion, I said to him, "Mr. Wilson, that is peanuts compared to the job you have now. As Secretary of Defense you are going to have working for you almost 5 million people; 3½ million in uniform and 1,280,000 civilians in the Department of Defense, more civilian personnel in that one department than in all the other departments of the President's Cabinet combined."

Instead of doing \$7 billion a year of business, I reminded him that during the past year preceding his becoming Secretary of Defense, this Nation spent more than \$50 billion. In 1 year, this fiscal year, we are spending \$42 billion, an astronomical sum, almost twice as large as was our national debt at the end of World War I, \$26 billion.

We know that America, with all of her resources, her scientific genius, her inventive capacity, cannot forever carry such a tremendous burden. Of course, the American people will never quarrel as long as they feel that they are getting their money's worth. Today I feel that because of the wise management and honest administration, the elimination of waste and duplication of effort, under the guidance of Charlie Wilson and Roger Kyes, and the Secretaries of the three Departments of Army, Navy, and Air Force, we are getting more real defense for our dollars than we have in many, many years. Let no one get the erroneous impression that because there is a reduction in expenditures or even a reduction of personnel, we are weakening the defense of our Nation. On the contrary, we are not only achieving economy, but increasing efficiency, particularly the combat effectiveness, by taking men out of swivel chairs in the armed services, out of auxiliary and housekeeping positions, and placing them in positions where they can achieve combat effectiveness. We are building a better, more mobile, hard-hitting, fighting Army, Navy, and Air Force.

America, I repeat, must remain strong on land, sea and in the air if we want to survive as a nation and as a free people. But along with our military might, we must be careful to preserve our economic strength. You cannot have one without the other. The two are wedded. It is impossible to divorce them without destroying both. We must have security with solvency. The battlefront can never be stronger than the homefront. Every great military leader, whether an admiral or a general, will readily confess to you that the thing that won World War II over the axis powers was America's industrial might and productive capacity. We were the arsenal of democracy and it was on the farms and in the factories and in the forests, with men not only in uniform but civilians, if you please, the good soldiers at home who produced the food and the fiber and the weapons and sinews of war that won us the victory over Germany, Italy, and Japan. We must be careful not to overextend ourselves by siphoning off our wealth in economic or military aid to countries all around the world.

Lenin once wrote:

The United States of America, like all capitalistic countries, will eventually spend herself into bankruptcy.

That is a consummation devoutly to be wished by the Soviets. Stalin uttered the same sentiment in Red Square, as he stood on top of Lenin's tomb, while in that Red Square, outside the historic walls of the Kremlin I watched hundreds of thousands of soldiers march by in review. The Communists hope and work

for an economic collapse in this country. They aim at an American depression with millions of idle men. Like Hitler, their motto is, "divide and conquer. Psychological penetration and subversive infiltration are their silent but effective weapons.

CONGRESSIONAL RECORD — HOUSE

The 14 mad dogs in the Kremlin today who have been winning every battle of the cold war without firing a shot or losing a man are hoping that the United States will spend herself into bankruptcy, will knock herself out by her own profligacy, by giving so many blood transfusions to others that we will be bled white-Korea yesterday, Indochina today, no one knows where tomorrow. If we become bogged down in distant places of the world to fight wars that are chosen by the enemy, instead of choosing the place and the time ourselves, Russia can achieve her goal and accomplish her purpose without ever firing a shot or losing a man. All we will be doing will be killing Koreans and Chinese or other of her slave satellites while many Americans are getting killed. Human life is the cheapest commodity on earth in the Orient. Their men are expendable, ours are not. America can never hope to match man for man the hordes on the Asiatic continent.

Our only hope of victory in another global conflict and our only chance of survival depend upon our superiority in weapons and the superior skill of the men who man those weapons.

I am glad that the committee after making substantial cuts in the defense budget has done it, I think, without seriously impairing the security of the Nation. Of course, you always run a calculated risk, but in order to build up and maintain your military might you must preserve your economic strength because only with a sound economy, a going industry, where we can outproduce not only in quantity but far surpass in quality in the weapons and sinews of war, can we ever hope to defeat an enemy that lives in a land three times. almost, as large as America in area, and controls 800 million people, one-third of the total population of the globe.

Mr. Chairman, not only must we have military might and economic strength. we must have a moral resurgence in this country, a spiritual revival, that recognizes after all the real strength of a nation and its people is in the intelligence, culture, and character of its citizenry. There is nothing great in the world but man, and nothing in man great but mind. In this global conflict that is called a cold war but that is really sizzling hot, we are in a battle for the minds, the hearts, the consciences, and the allegiances of men. Necessary and fundamental as are military might and economic strength, it is after all in the character of man, in spiritual idealism, moral values, and ethical principles that there lies the greatness of a country.

We are engaged in an ideological war. and in this total war where civilians will suffer first, where old men, innocent women, and helpless children will perish perhaps before the men in the front battleline, in this modern age when war is a total effort of an entire nation and people, we must fight it not only with military weapons and with economic strength, we also have to fight it with intelligence and spiritual ideals and ideas because, after all, an idea is a powerful weapon. It can be the most dangerous weapon on earth because you cannot shoot an idea with a rifle. cannot stab it with a bayonet. You cannot destroy it with an atomic bomb or a hydrogen bomb. The only way to overcome a bad idea is with a good one. It is only truth, justice, and freedom, those ideas, to which all men everywhere are entitled that can make us strong. I hope and pray to God that the United States will never try to defend or practice colonialism under any regime in any section of the world. If we would grant independence and liberty to men to make them really free, they will fight and defend themselves. but they have to have something to fight for. They must be consecrated and dedicated to love liberty more than life itself, and unless they have that dedication and consecration, if their hearts are not in it, if they are not willing to dig down in their pockets and pay enormous, burdesome taxes, unless they are willing to deny themselves many luxuries, finally unless they are willing to lay down their lives upon the altar of freedom, there will be no hope for our survival. When I think of America, I want to keep her strong because only in strength is our freedom. It is freedom that likewise gives us our strength. So "Not by power, nor by might, but by my spirit sayeth Yahweh the Lord, God of Hosts." Let us not put all our faith in horses that run upon the rocks, but let us put forth every effort to keep America militarily strong, economically sound, and spiritually alive and vital. If we do that as representatives of a great, free people, I have no fear of what the future holds.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield. Mr. McCORMACK. I have listened with great interest to the remarks of the gentleman, not only because I remember many great battles that the gentleman and I had in bygone years before World War II and the differences of opinion that existed between us, but particularly because the gentleman now is charged with the duty of being chairman of the Committee on Armed Services, and the gentleman's party is in control and determining the policies. Our military strength is necessary to carry out the national objectives of our country in relation to foreign affairs: is that not right?

Mr. SHORT. That is right. We. however, need more than just military strength.

Mr. McCORMACK. There is one way to do it, and that is to be so strong that an enemy will not attack us through fear. Does the gentleman think we are strong enough?

Mr. SHORT. I would only say, if any possible enemy attacked us today, God pity him.

answer to my question.

Mr. SHORT. Yes, that is the answer. Mr. McCORMACK. All right, but my question is, Does the gentleman think we are strong enough so that the Soviet Union—let us talk plainly—would be afraid to carry out a sneak attack on us?

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. McCORMACK. Mr. Chairman, I ask unanimous consent that the gentleman's time may be extended—how many minutes would the gentleman require?

Mr. SHORT. I would ask for a couple of minutes. I have a luncheon engagement at the White House at 12:30 p. m.

Mr. McCORMACK. I hope you get a lot of good information at the White

House.

Mr. SHORT. You get it down there pure and undefiled. It is honest and usually accurate, more than in many years.

Mr. McCORMACK. I was very much disturbed at what I got 3 weeks ago in the office of the Secretary of State. I was very much disturbed.

The CHAIRMAN. Without objection, the gentleman from Missouri is recognized for 2 additional minutes.

There was no objection.

Mr. McCORMACK. Now to come back. Does the gentleman think we are strong enough so that the Soviet Union will be afraid to carry out a sneak attack on us militarily?

Mr. SHORT. I might say that with this grave responsibility, and although I spend many hours day and night study-ing these military problems and talk to generals and admirals daily, I must confess I am not the great military authority that the gentleman from Massachusetts is.

Mr. McCORMACK. Now do not turn to ridicule. This is a serious matter.

Mr. SHORT. I do not think that Soviet Russia dares attack us today. She does not have an adequate supply of steel, rubber, oil, or transportation system to fight successfully a prolonged, global conflict.

Mr. McCORMACK. The gentleman thinks we are strong enough to put fear

into their minds?

Mr. SHORT. They have already got that fear or they would have attacked us long ago. The only language they understand is force. They respect strength and have only contempt for weakness.

Mr. McCORMACK. What are they doing in southeast Asia?

Mr. MASON. They are not attacking

Mr. McCORMACK. Are they not? Read the newspapers. Read the public utterances. If you do not think that is directed toward the United States, you had better do some more thinking.

Let me ask the gentleman this: Does the gentleman think we are strong enough, in case we are suddenly hurled into war, to win the war at the present time?

Mr. SHORT. Oh, I think we could win a war at the present time. I certainly do. But I hope and pray we are

Mr. McCORMACK. That is not an not forced into a shooting war. In a war even the winner is loser.

Mr. McCORMACK. I am glad to hear that, coming from the chairman of the Committee on Armed Services. I must reluctantly say I wish we were considerably stronger.

Mr. SHORT. Oh, of course I wish we were stronger. Everybody wishes we were stronger. We are as strong as our economy will allow us to be. I have tried to bring out that military strength is not the only thing. You have got to have economic strength and spiritual strength.

Mr. McCORMACK. How much would another war cost?

Mr. SHORT. That is problematical. Of course it is conjectural. You do not know. I do not know. No one knew that World War II would leave a debt of \$275 billion on our backs.

Mr. McCORMACK. In other words, we would spend any amount to save our

country.

Mr. SHORT. Of course we would. There is no argument about that. The security of our Nation comes first. We must defend it at any and all costs.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

(By unanimous consent Mr. Short was

given 2 additional minutes.)

Mr. SHORT. But I think we can rest pretty well at ease. We have managed to stay out of the pitfall mess which we have inherited; World War I, World War II, and the Korean conflict-it just so happened, I guess, that the Democratic Party was in power in all three of those We are not beating the war drums. We do not want another war. But I am saying that we are strong and that this committee has done a marvelous job, and they have gone as far as our economic strength will permit at this time.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. SHORT. I yield. Mr. HALLECK. I trust the gentleman will join with me in expressing the hope that whatever indications have come from the gentleman from Massachusetts [Mr. McCormack] that our Nation is not strong will not have such an effect around the world as may-

Mr. SHORT. Invite an attack from an enemy.

Mr. HALLECK. I would like to point out that the gentleman from Missouri [Mr. Short] has made a magnificent statement. It certainly ought to be encouraging for all of us. I simply want to corroborate what I understand his viewpoint to be in this regard. Of course, having regard to the fact that we must be economically strong because, as General Eisenhower said once in the Congressional Library when he returned from Europe, that the Armed Forces in the field can but be the cutting edge of the great productive machine that is America. So we have to try to balance between what we provide in the way of strength for the Armed Forces in the field and the maintenance of our economic strength at home; because, as the gentleman well knows, to obtain absolute,

ultimate military strength, we would go to total, all-out mobilization. We would close today every automobile factory; we would close the tractor factories; we would regiment everybody; we would have price and wage controls. We could do that and then, if war did not come, we could be destroyed at home, we could lose our freedoms we seek to protect, without firing a shot. Of course, there is some calculated risk in trying to draw the line between that all-out mobilization and what we deem is sufficient for our defense and our protection, having regard to the necessities of the long pull.

I want to join the gentleman from Missouri [Mr. Short] in commending the members of this committee, and in commending the people in the armed services and the leaders in the administration, for drawing what I think is a fair balance between the maintenance of strong forces in the field and the maintenance of a strong, protective, effective, functioning economy here at home.

The CHAIRMAN. The time of the gentleman from Missouri has again expired.

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. McCORMACK, Mr. Chairman-

Mr. YATES. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I yield.

Mr. YATES. I think the gentleman might discuss the recent statement by Secretary of Defense Wilson in which he said that we may have to have a soul-searching review of our proposed military expenditures.

Mr. McCORMACK. That is a pertinent observation.

Mr. Chairman, I would not have taken this time if it were not for the cutting, unnecessary, and gratuitously unkind observation made by the majority leader of this House when he undertook to read into my mind and my lips something that I never thought and something that I never said.

The gentleman from Missouri [Mr. SHORT] and I were having a colloquy. He certainly did not show any offense. It was for the purpose of bringing out information, and I suggest to my friend from Indiana-and I have been majority leader for 10 years out of the last 13that he better be a little more temperate than to try to accuse people of things that never were in their minds.

I look back through the years before Pearl Harbor when I was fighting to get legislation through this House that the gentleman from Indiana was opposing. I can remember an extension of the Selective Service Act 3 months before Pearl Harbor by this House by a vote of 202 to 201. I voted for its passage. How did the gentleman from Indiana vote?

I am for a strong military defense, have been for years, because I have said in this House and outside of this House that the only thing the Communists respect is what they fear and that is fear of a strength greater than they possess.

Yes, you talk about the strength we have, but if I am going to err in judgment I prefer to err on the side of greater strength than on the side of

Who brought this strength about? Who made the decision on the atomic bomb? Franklin D. Roosevelt. made the decision on the hydrogen bomb? Harry S. Truman. Where would this country be if we did not have these weapons and the Soviet Union did?

Every plane that came off the production rolls last year, every one that will come off this year, every one that will come off next year, and some of them for years to come comes as a result of appropriations recommended by Democratic Presidents and passed by Democratic Congresses, for it takes from 3 to 7 or more years to build a plane,

according to its type.

Our military strength is an important and in fact a necessary element in carrying out our national objectives in connection with our foreign affairs. gentleman from Missouri answered some questions, but there are serious doubts in my mind that our country is strong enough today to deter a sneak attack. Certainly we are not strong enough today to negotiate around the bargaining table because we have seen what has happened. We are in Geneva. You cannot blame the Democrats for Geneva. A speech was made at the Propeller Club by Secretary Dulles that should never have been made. He said there would be "united action" and he did not have an agreement. He should have had an agreement with England, France, and other countries before he made that speech; otherwise he should never have made the speech. When I read that speech I assumed he had an agreement signed and sealed that England, France, and other countries would carry out certain things in conjunction with ourselves if Red China went too far; and we had to find out by way of Berlin and Paris only a few weeks ago that no negotiations had been made and that he was hastily over there trying to repair the damage that he had done. I knew it 3 days before because I was at the conference in the office of the Secretary of State. We were very close then and if it were not for the leaders on the Hill and the position they took then, the situation would be entirely different today. We were not told that the Joint Chiefs of Staff were not in full agreement until I asked the question.

The thing we should do if we are going to err is to err on the side of strength. I am one of the few who has the courage to say that we ought to have more strength and greater capacity. I said that on the floor of the House only a few weeks ago when the excise tax-reduction bill was up for consideration. I said at that time that if President Eisenhower would recommend more appropriations for greater defense and a continuance of the expiring taxes the American people would support him.

So the speech of the gentleman from Missouri, chairman of the Committee on the Armed Services, is a keen disappointment to me personally because it shows me that as chairman of that committee and looking behind what he said and interpreting it, has not changed one iota from what he was 13 years ago. So, if we are going to make any error of judgment we better err on the side of strength, not on the side of weakness

The Communists understand the language of strength; they also understand the language of weakness. I said on this floor 4 years ago that the purpose and the intent of the Communist leaders was to take over country after country by internal subversion if they could, by other means, if necessary, with the ultimate objective of attacking the United States of America. There is no question but what that was their plan then and in the several years that have transpired since that plan has been definitely unfolded.

I agree with the gentleman from Missouri about being strong spiritually, but I deny the fact that our people are not strong spiritually. Perhaps we could have greater spiritual strength, but the people of America do have great spiritual strength now. I agree with the significance of that statement, but we have to be all powerful from the military angle. because the only thing that the Communists respect is what they fear, and remember too, Mr. Chairman, when you are dealing with the Communists you are dealing with persons who are possessed of a world-dominating mind and a worldbitter mind. They are out to destroy every civilization, every country that does not submit or agree with communism. We have that cold, sinister, killer mind to contend with and we have to prepare ourselves accordingly.

So far as I am concerned, as between dollars and liberty, I prefer liberty.

Mr. WIGGLESWORTH. Mr. Chairman. I ask unanimous consent that all debate on the pending paragraph do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection. The Clerk read as follows:

TITLE I

NATIONAL SECURITY TRAINING COMMISSION

Salaries and expenses: For necessary expenses of the National Security Training Commission, including services as authorized by section 15 of the act of August 2, 1946 (5 U. S. C. 55a), at rates for individuals not in excess of \$50 per diem and contracts with temporary or part-time employees may be renewed annually; and expenses of attendance at meetings concerned with the purposes of this appropriation; \$55,000.

(Mr. GAVIN asked and was given permission to revise and extend his remarks)

Mr. GAVIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, as a member of the Committee on Armed Services, I want to compliment the Committee on Appropriations for turning in a magnificent performance of which they can well be

proud. I also listened with a great deal of interest to my very good and able friend and colleague, the gentleman from Missouri [Mr. Short], and I also listened with a great deal of interest to my very good friend, the gentleman from Massachusetts [Mr. McCormack]. And he also is a very able Representative from a great State, whom I greatly admire. However, some of the things that he said were just a bit too extravagant for me to sit and listen to about what happened in the previous administrations. remain quiet no longer. I am glad that the gentleman is present, because I want to call to his attention some of the things that happened in the previous administration that he speaks about.

Mr. Chairman, back in 1949, when we had a stabilized condition in Korea, when we had 50,000 troops in Korea, a decision was reached to pull out the 50,000 troops, and I think the last 6,000 were moved out of Korea in December 1949, which was an open invitation for the Chinese Communists to move in. At that time I recall we had an authorization bill of \$17 billion before our committee, the Armed Services Committee, Mr. CARL VINSON, a great, farsighted American, being chairman at that time. The administration that he refers to, that turned in, as he calls it, such a fine performance, cut that appropriation back from \$17 billion to \$13 billion. At that time our good friend, the late beloved Secretary of Defense Jimmy Forrestal, went out, and in came Louis Johnson. And they were still economy minded. They were economy minded at the wrong time and in the wrong place. They cut it back a couple of billion dollars more, this about 2 months before Korea. They mothballed the fleet, they canceled the carrier, Admiral Denfeld was fired. They cut back the ground forces, they cut back the Navy air; however, the most drastic mistake was the cutback in the Air Force from 70 to 48 groups. You remember that. Certainly you remember it. The gentleman from Massachusetts says it takes from 6 to 7 years to build a plane. And you remember back in 1950, when they cut back the Air Force from 70 to 48 groups, and we heard but little from that side. If it takes 6 or 7 years to build a plane, one can readily understand what this action did to our Air Force. You hear little about that.

So let us not forget. The gentleman from Massachusetts called attention to some of the things that happened in the past, and I want to call his attention to what happened 2 months before Korea. Suddenly, we got tough, and we decided to move into Korea. So we moved into Korea. And what did we We had but little equipment. a few obsolete tanks, a few bazookas, and we sent our boys into Korea to fight against one of the greatest military machines that had ever been assembled in the Far East. And what happened? We were nearly pushed back into the sea at Pusan, the most humiliating incident that ever occurred in the history of this Nation.

So we are here now talking about preparedness and the necessity for building our national defense. Inferences have been made on the Republican side there is an effort to curtail the defense program for economic reasons. The facts are that we have in this bill \$28,727,000,000. We have a carryover of \$48,147,000,000, making a total of \$76,874,000,000 to be spent on national defense within the next 2 years.

The CHAIRMAN. The time of the

gentleman has expired.

(By unanimous consent, Mr. Gavin was given permission to proceed for an

additional 3 minutes.)

Mr. GAVIN. So we have \$76 billion to spend for defense. A million dollars is one thousand thousand dollars. A billion dollars is one thousand million dollars. We have set up 76 thousand million dollars for defense. So let fur-ther talk about not giving the defense program every dollar they want be discontinued. The facts are that the productivity of this Nation could not absorb what we have already authorized and appropriated to be spent on national defense in the next 2 years—76 billion dollars. So I do not want my friends on the other side to intimate or infer that we have been lax in any way. We have recognized the need for building the greatest military strength that the world has ever known to meet any demands that may be made upon us, any time, anywhere in the world.

I would say that the Appropriations Committee in bringing out this bill has turned in a magnificent job and deserves the hearty commendations of the Members of the Congress, and any inferences that the Republicans are trying to be economy minded in this respect is unfounded because it is not a fact. We have \$76 billion to spend in the next 2 years, to build a mighty defense strength. Secretary of Defense Wilson is doing a great job. We can well be thankful we have a man of his ability heading up our defense program.

May I say right now that without question we are making great progress in our defense program. What we need in America is a reawakening, a reinspiration, a rehabilitation of that spirit of Americanism that has made our country great. I feel that we are now in a position of growing strength, growing steadily every day, and in a greatly improved position to meet any demands if they should ever be made upon us or if we should suddenly be catapulted into a cataclysm of war.

Let us recognize that we in the Congress have appropriated some 76 thousand million dollars to meet the needs of our national defense program. We in no way will discontinue this program until we build the greatest military strength we have ever had.

Mr. McCORMACK. Mr. Chairman,

will the gentleman yield?

Mr. GAVIN. I shall be glad to yield. Mr. McCORMACK. Last year the same arguments were made when we were fighting for 143 air wings. The gentleman's party took the position that we should have 126 wings. That number

is now up to 137 in this budget, and I am glad to see it. Who was right last year, the gentleman's party or our party?

Mr. GAVIN. I have always been for a great national defense program, the gentleman knows that.

Mr. McCORMACK. Did the gentleman favor the 143 wings last year?

Mr. GAVIN. I am asking the gentleman today why he was not on his feet when his administration cut the 70 air wings to 48 back in 1950; an action that set the Air Force back several years?

Mr. McCORMACK. I will say to the gentleman from Pennsylvania that the gentleman from Massachusetts was on

his_feet.

Mr. WIGGLESWORTH. Mr. Chairman, as the Members of the House know, it is hoped to conclude this bill today. I have no desire to curtail debate at this time, but I hope we will be able to proceed with the reading of the bill.

Mr. Chairman, I ask unanimous consent that all debate on this paragraph

do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.
The Clerk read as follows:

TITLE II

DEPARTMENT OF DEFENSE
Office of the Secretary of Defense

Salaries and Expenses

For expenses necessary for the Office of the Secretary of Defense, including hire of passenger motor vehicles; and not to exceed \$60,000 for emergency and extraordinary expenses, to be expended under the direction of the Secretary of Defense for such purposes as he deems proper, and his determination thereon shall be final and conclusive; \$12 million.

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I have sat here and listened to the very fine and commendatory statements that have been made about the subcommittee and I want to take this moment to express my appreciation.

Mr. JAVITS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, there would be no reason for taking the time of the House at this time since I am not a member of either of the committees concerned, unless we had a matter of paramount importance facing us which deals with the foreign policy, which is the concern of the committee upon which I serve, and which is very pertinent to this discussion.

We are going to be faced by an amendment from my colleague from New York, of which all the Members have been apprised, and which seeks to limit very materially the powers of the President, as Commander in Chief, in the command of the Armed Forces of the United States.

This amendment bears very directly upon the subject which has just been discussed between the majority and the minority sides, and for this reason. It is my deep conviction that if we are in any danger of defeat by the Communists—and no man would be adult who

would not endeavor to be sure that we can win-it will not be because we are bleeding ourselves white economically. The power of the American industrial machine, and of the American industrial production is, in my opinion, even now not yet fully appreciated. Just to give a few figures to those who fear a national debt of \$275 billion, a conservative estimate by, I believe, by the National Industrial Conference Board shows that our tangible national wealth is not less than \$800 billion-that does not mean we should be extravagant or go hog wild; it does mean that we are on very firm ground economically.

The grave danger today is in seeing our will to resist weakened, our suspicions of each other heightened, and our divisions made deep and permanent. That is the danger of the kind of debate that has taken place just now, especially in the face of the kind of amendment that is going to come up. It is a plausible amendment—in that the Congress is ostensibly asked to be asserting its right to see that the President does not commit our troops in Indochina unless the Congress agrees. But it is danger-ous in its view because it fails to recognize that today our defense cannot be shackled by depriving ourselves of the timely opportunity to protect our national security-our defense today is intercontinental, to avoid world war III, and not just a matter of defending the borders of the United States. And that is the way in which we and the other free peoples might have had a chance to avert World War II—by stopping Japan when she went into Manchuria, and by cracking down on Hitler when he went into the Rhineland, and by not having tolerated aggression anywhere in the world when we ought to have known that it is inevitable when aggression is gotten away with by the Communists or anybody else that ultimately it only breeds more aggression, until it is impossible to take it any more in terms of security and peace and a world war results.

I would like to answer my colleague, the gentleman from Massachusetts who asked, I think, a very important question, as to whether in the view of the gentleman who was then speaking, the very distinguished chairman of the Armed Services Committee, the Soviet Union was deterred by fear of American power in not attacking us. I believe the Soviet Union is deterred by fear of American power in not attacking us. I believe the Soviet Union is deterred by fear of American power in not attacking us directly, but I believe that the Soviet Union believes in the opinion of its Communist masters and their appraisal of public opinion and the general attitude in the United States, that it can get away successfully with attacking us indirectly. They tried it in Korea where we finally had to accept a stalemate, about at the point where the aggression started and now they are trying it in Indochina. From what we hear including this kind of amendment I am discussing, we have to be careful that no Soviet leader has a right to conclude that we will not stand up and do our share with other free nations, if need be and there is reasonable prospect of repelling aggression, from the frontiers of our own security, which in fact may prove to be far away from our shores and even on the other side of the Pacific.

It is our duty in this Congress out of a sense of deep responsibility to face that issue, because it is before us and we must face it and no one else will face it

for us.

Mrs. CHURCH. Mr. Chairman, will the gentleman ask unanimous consent that his time may be extended for 1 minute, to answer a question?

Mr. JAVITS. I will be glad to do so. The CHAIRMAN. Without objection, the gentleman from New York is recognized for 1 additional minute.

There was no objection.

Mrs. CHURCH. I certainly do not feel that the gentleman from New York yields to anyone in his patriotism or in his fight upon Communism. I would like to ask the gentleman this question, however. Does he not believe that such decision to deter aggression at the time of Hitler or during the other instances cited or now, where according to his statement we should not hesitate to deter aggression should have been made not by any President but by the Congress of the United States, representing the people who sent them here?

Mr. JAVITS. There is no question about the fact that we should face the responsibility here ourselves, and I hasten to point out to the gentlewoman that we face the responsibility as a Nation by making the decision here in the Congress or by honoring the power given to the President under the Constitution and that both decisions are our decisions

as a Nation.

We should pass upon an amendment like this. The only point I make is that we should turn it down decisively because that, too, is an exercise of our power and our direction as to how the whole effort to secure our country shall go. We should not telegraph to the other side what we will or will not do. We should keep them in the greatest doubt. At the same time in answer to the views of the gentleman from Massachusetts, we should point out that we do not consider that we are going to lock up our strength in the United States, but that we consider it strength to be used for our defense and the defense of freedom when aggression threatens our vital national interest. Let us not forget that the attacks at Pearl Harbor took place in Hawaii almost 2,000 miles away and not in California.

The CHAIRMAN. The time of the gentleman from New York has expired.

Mr. WIGGLESWORTH. Mr. Chairman, I ask unanimous consent that all debate on this paragraph do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read as follows:

Office of Public Information

For salaries and expenses necessary for the Office of Public Information, \$500,000.

Mr. HOFFMAN of Michigan. Mr. Chairman, I move to strike out the last word.

(Mr. HOFFMAN of Michigan asked and was given permission to revise and extend his remarks.)

Mr. HOFFMAN of Michigan. Mr. Chairman, the gentleman from Massachusetts [Mr. McCormack] closed his very forceful, eloquent, and perhaps political plea with the statement that as between dollars and liberty he would choose liberty.

Well, I assume if the issue was that simple, no one would prefer dollars rather than freedom. The gentleman's views are, on that point at least no different than those of the rest of us. Hence similarity, if any, of his statement to Patrick Henry's "Give me liberty or give me death" speech arouses in me no high blood pressure. The issue as I understand it is not quite that simple. I might add that the criticism by the gentleman from Massachusetts IMr. McCormackl of the majority leader, the gentleman from Indiana [Mr. HALLECK] was in my opinion entirely unwarranted.

The gentlemen are not so far in disagreement. Apparently the gentleman from Massachusetts [Mr. McCormack] thinks we should spend everything in sight, everything we can borrow for national defense, while the gentleman from Indiana [Mr. HALLECK] seems to believe in the views that were stated by our Vice President when he answered Mr.

Stevenson on March 13.

On that occasion, Vice 11 President Nixon, speaking of the issue of communism and the containment of communism, among other things said:

We found-

That is, when the Republicans came to power-

that, despite record spending for military purposes, that in our efforts to be strong everywhere, we weren't strong enough any where. And since our former policy failed, we then asked ourselves the question what kind of a new policy should we adopt, and in determining what that policy should be, we decided to find out what the men in the

Kremlin were up to.

We found that militarily their plans, apparently, were to destroy us by drawing us into little wars all over the world with their satellites. However, where they must be alone, and where, due to our inability to bring to bear our great superiority on the sea and in the air that we were unable to win those wars. We found that economically their plan, apparently, was to force the United States to stay armed to the teeth, to be prepared to fight anywhere, anywhere in the world that they the men in the Kremlin, chose. Why? Because they knew that this would force us into bankruptcy, that we would destroy our freedom in attempting to defend it.

Well, we decided that we would not fall into these traps. And so we adopted a new plan, and that new plan, summed up, is this: Rather than let the Communists nibble us to death all over the world in little wars, we would rely, in the future, primarily on our massive, mobile, retaliatory power which we could use at our discretion against the major source of aggression at times and places that we chose.

That seems to me to be the issue.

Perhaps we should all remember that what is said in the well of this House is nothing more than the opinion of the individual who is speaking.

If I understood the gentleman from Indiana [Mr. HALLECK] correctly, all he argued was that he, too, believes in the views expressed by Vice President Nixon. and to which I subscribe, that we should have an adequate national defense, but that we should not destroy ourselves by spending all of our energy, all of our dollars, all of our manpower everywhere throughout the world where the Communists might instigate a war.

The substance of the argument of the gentleman from Indiana [Mr. Halleck] as I got it was that we should not bankrupt ourselves, destroy our freedom, by being enticed into futile wars. That is the same thing that was expressed some time ago by our Vice President.

Just how are we to balance the demands for defense against our ability to pay and retain our economy is a question to which I assume no one can give the precise and adequate answer. So each of us must follow his own judgment and vote for such sums, at least I shall, as the committee may recommend—the armed services need-because I assume they have more knowledge than have I.

I know not the need of the armed services and I assume very few Members of this House have personal knowledge of these needs. All I can do is to accept the advice of those who are trained in national defense; then unceasingly check on their expenditures to see that the money is not wasted.

Perhaps, in addition, through acts of Congress, I may assist in the effort to prevent us becoming so frequently involved in the affairs of other nations that the need for military preparedness may

not be so great.

Another purpose in speaking at this time was to further call attention to what the gentleman from Massachusetts [Mr. McCormack] said. He said, "Who made the decision as to the atomic bomb?" And he answered, "Mr. Truman." "Who made the decision as to the H-bomb?" And he replied, "Mr. Roosevelt."

Mr. McCORMACK. It is the other way around.

Mr. HOFFMAN of Michigan. All right. Admitting that those two gentlemen made those two decisions, I ask one question: Who got us into the situations which made those decisions necessary? Who created the conditions which got us into two wars? The same two gentlemen you mentioned?

Mr. GREEN. Hoover.

Mr. HOFFMAN of Michigan. Oh nonsense-your theory would bear out the assertion that Hoover was responsibile for the flood.

Mr. McCORMACK. I will answer that. Do you want an answer?

Mr. HOFFMAN of Michigan. I would not have asked the question if I did not. Mr. McCORMACK. The Communists.

Mr. HOFFMAN of Michigan. Oh. Again, what nonsense. The Communists did not leave Pearl Harbor unprotected. They did not force us to participate in the war on Germany before war was declared. Roosevelt did that. The Communists did not withdraw our troops from Korea—invite the Communists in—then send our men into that war. Truman did that. That is to say, the substance of his answer is that the Communists stated for Roosevelt and Truman what we should do. Shaped the events which determined the policy of Roosevelt and Truman. Is that not a fine thing to admit?

I knew there were a lot of Communists in policymaking positions in the two previous administrations, but I never thought I would see the day when the party would admit, through their leadership, through the whip today, the gentleman from Massachusetts [Mr. Mc-Cormack], that the Communists formulated and put into effect the policies of the last two administrations. Is not that something to think about? That is what was said.

The CHAIRMAN. The time of the gentleman from Michigan has expired.

Mr. McCORMACK. Mr. Chairman, I do not want the gentleman to revise his remarks. My answer shows that the Communists throughout the world have brought about this situation.

Mr. HOFFMAN of Michigan. Do not worry. Your statement may stand. The three futile world wars came—as did a national debt of more than \$250 billion as the result of the New Deal policies and programs.

And one more: Who was responsible for the mess which resulted in the political overthrow of your party?

Mr. GREEN. Which mess? The mess

going on now?

Mr. HOFFMAN of Michigan. The mess, the corruption—that bunch of crooks and their works that you left us as a gift when you died politically on November 4, 1952.

Mr. GREEN. How about the mess

that is going on now?

Mr. PATTEN. What about the Mc-Carthy business? Is that a mess?

The CHAIRMAN. The Committee will be in order.

Mr. HOFFMAN of Michigan. Personally I have no objection to 3 or 4 people trying to answer my apparently simple question, but to get back to my point, the gentleman from Indiana [Mr. Halleck], expressed, as I think, the true answer to the issue which we have here: That, in making appropriations for our national defense, no matter how necessary they may seem to be, we should not go so far as to destroy here at home not only our own freedom and liberty, but also our ability to defend ourselves.

Not being allwise, not military experts, few of us can actually know whether the armed services should be given twenty-eight billion, ten billion, or a hundred

billion

All we can do—at least, all I can do—is to assume that those who have expert knowledge of world affairs, of military strategy, when they come asking us for billions, are just as patriotic; have at least adequate knowledge of the ability of our taxpayers to pay, and then grant their requests, even though those demands seem exorbitant.

Voting on those requests, I should, and I will, keep in mind the necessity of not enslaving our people, destroying our

freedom and our liberty, by, speaking figuratively, as did the gentleman from Massachusetts [Mr. McCormack], chain them to the wheels of a military chariot, driven by a military dictator.

Nor will I destroy our people's welfare, their liberty, their ability to provide for themselves, our independence as a nation, by falling into step with those internationalists who seem to have lost all faith in our form of government, in the courage, the endurance, the ability of our people to produce, and to meet and successfully resist all foreign foes.

The Clerk read as follows:

TITLE III
INTERSERVICE ACTIVITIES
Claims

For payment of claims by the Office of the Secretary of Defense, the Army (except as provided in appropriations for civil functions administered by the Department of the Army), Navy, Marine Corps, and Air Force, as authorized by law; claims (not to exceed \$1,000 in any one case) for damages to or loss of private property incident to the operation of Army and Air National Guard camps of instruction, either during the stay of units of said organizations at such camps or while en route thereto or therefrom; claims, as authorized by law, for damage to property of railroads under training contracts; and repayment of amounts determined by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, or officers designated by them, to have been erroneously collected from military and civilian personnel of the Department of the Army, Navy, and Air Force or from States, Territories, or the District of Columbia, or members of National Guard units thereof; \$7,680,000.

[Mr. HAYS of Ohio addressed the Committee. His remarks will appear hereafter in the Appendix.]

The Clerk read as follows:

DEPARTMENT OF THE ARMY
Military personnel

For pay, allowances, individual clothing, interest on deposits, and permanent change of station travel, for members of the Army on active duty (except those undergoing Reserve training); expenses incident to movement of troop detachments, including rental of campsites and procurement of utility and other services; expenses of apprehension and delivery of deserters, prisoners, and soldiers absent without leave, including payment of rewards (not to exceed \$25 in any one case), and costs of confinement of military prisoners in nonmilitary facilities; donations of not to exceed \$25 to each prisoner upon each release from confinement in an Army prison (other than a disciplinary barracks) and to each person discharged for fraudulent enlistment; authorized issues of articles to prisoners, other than those in disciplinary barracks; subsistence of enlisted personnel, selective service registrants called for induction and applicants for enlistment while held under observation, and prisoners (except those at disciplinary barracks), or reimbursement therefor while such personnel are sick in hospitals; and subsistence of supernumeraries necessitated by emergent military circumstances; \$4,150,479,000: Provided, That section 212 of the act of June 30, 1932 (5 U. S. C. 59a), shall not apply to retired military personnel on duty at the United States Soldiers' Home: Provided further, That the duties of the librarian at the United States Military Academy may be performed by a retired officer detailed on active

Mr. DONOHUE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Donohue: On page 8, line 21—

Mr. FORD (interrupting the reading of the amendment). Mr. Chairman, I make the point of order that the amendment offered by the gentleman from Massachusetts is premature. We have not as yet concluded the first paragraph of title IV.

The CHAIRMAN. The gentleman from Michigan is correct. The point of order is sustained.

Mr. PRICE. Mr. Chairman, I move to strike out the last word.

The CHAIRMAN. The gentleman from Illinois is recognized for 5 minutes.

(On request of Mr. McCormack, and by unanimous consent, Mr. Price was granted 3 additional minutes.)

LESS ARMY COMBAT EFFECTIVENESS FOR LESS
MONEY

Mr. PRICE. Mr. Chairman, the promice of "more defense for less money," was at the heart of the Eisenhower administration's defense program. This was sometimes jocularly referred to as "more bang for a buck."

In the President's budget message submitted to Congress this year, it was stated:

We expect to improve the combat effectiveness of our forces by the application of new weapons and new techniques, and ultimately achieve far greater fiexibility than heretofore attainable. (Budget message, p. M39.)

Further, in the same message it was stated:

Under the long-range plan recommended by the Joint Chiefs of Staff, the number of Army divisions may be less than those currently organized, but increased mobility and the availability of modern weapons will provide each division with increasingly greater striking power (ibid., p. M44).

Also in the President's state of the Union message, we were assured by President Eisenhower that—

As we enter this new year, our military power continues to grow.

More recently, we have been assured by the Secretary of Defense, in his recently released semiannual report, that, in Secretary Wilson's words:

We have devised a strategy that permits the selection of those force elements and weapons systems which provide the greatest combat effectiveness. (Semiannual report, March 15, 1954, p. 2.)

In the Secretary of the Army's section of the same report, we were told by Secretary Stevens, in his words:

We are continuing to take every possible step to increase the combat effectiveness of units. (Semiannual report, p. 18.)

Mr. Chairman, to keep the record straight, and that we may go into this defense appropriation with our eyes open, it is necessary to review briefly the most recent testimony of Army leaders regarding what this budget has done to the Army's combat effectiveness.

It is clear from what I have recalled above that most of our top defense officials have assured us that we have not altered our military combat effectiveness. But let us be reminded of the views of Gen. Matthew Ridgway and Secretary of the Army Robert T. Stevens on this question.

In testimony before the appropriations subcommittee for the Department of the Army, the Army Chief of Staff, General Ridgway, was asked this question:

Do you feel under this budget * * * that the Army will be able to maintain or increase combat effectiveness above the present level?

General Ridgway's reply was:

No, sir; I would not think we can improve combat effectiveness. I think all the improvements that are going on all the time will increase the relative combat effectiveness unit-for-unit, but a reduction in the order of magnitude that we are making will certainly when completed leave us with less combat effectiveness than we had when we started. (Hearings, p. 54.)

Further, General Ridgway was asked: Then those new weapons will not be of particular benefit to you in replacing ground forces during the coming fiscal year?

Answered General Ridgway:

I think that is a fair statement; yes, sir. (Hearings, p. 54.)

General Ridgway was backed up in his estimate of the situation by Army Secreary Stevens, who also said:

It is true, as the general indicated, that the overall combat effectiveness of the Army by the end of 1955, even with gains we could make with improved weapons, will be somewhat less than it is today. (Hearings, p. 55.)

Let us all be aware, Mr. Speaker, of these significant statements by the Army Chief of Staff and the Secretary of the Army. Our Army's combat effectiveness is being decreased in the coming year. Whether this is being made up by the development of other weapons, in other branches, is debatable. I suppose it depends to a great extent on how much value you are willing to place today on the foot soldier. It seems quite clear that this administration is placing less emphasis on ground forces.

What we have here, in the testimony of General Ridgway and Secretary Stevens, are words of warning regarding the combat effectiveness of our Army. During the coming year the calculated risk is being increased. The American people should be informed of this greater gamble; and high tribute should be paid to General Ridgway and Secretary Stevens for their forthright words of warning.

The situation is perhaps best summed up by General Ridgway's candid observation:

The Army has been guided in the preparation of this budget by basic economic and strategic decisions which have been made at a higher level. (Hearings, p. 42.)

Let us note especially the Chief of Staff's expression of concern because, in his words:

We are steadily reducing Army forces—a reduction through which our capabilities will be lessened while our responsibilities for meeting the continuing enemy threat remain unchanged. (Hearings, p. 34.)

Finally, Mr. Chairman, the record should show the following disturbing fact. Let all my colleagues listen carefully to these words of Gen. Matthew Ridgway:

The military power ratio between western defense capability and the Soviet bloc's offensive capability is not changing to our advantage. (Hearings, p. 43.)

All of this reminds me of Adlai Stevenson's advice:

Let's talk sense to the American people.

Mr. ROOSEVELT. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Roosevelt: At line 12, page 6, after the figure "\$4,150,479,-000", insert the following: "plus such other amounts, from the funds available to the Commodity Credit Corporation for price support to producers of milk, butterfat and the products of milk and butterfat, which the Secretary of the Army requires in order to make available to each of the persons herein described, a minimum daily ration of 1 quart of whole fluid milk in addition to such other amounts of milk products to which he is entitled."

Mr. FORD. Mr. Chairman, I make a point of order against the amendment offered by the gentleman from New York.

Mr. ROOSEVELT. Would the gentleman withhold his point of order?

Mr. FORD. I would be glad to reserve the point of order.

Mr. ROOSEVELT. I thank the gentleman.

Mr. Chairman, this amendment is very simple. It says that the milk ration for the men in the Armed Forces will be increased from 1 glass of milk a day, which is the present ration, to 1 quart of milk a day. That does not seem very much for the boys who are drafted into our Armed Forces. May I say that this amendment will cost the Federal Government nothing; in fact, it will actually save the Federal Government dollars and cents.

This is important to the dairy farmers of our country. I might point out that the State of New York is the second most productive State of dairy products, so it is important to my State. It is important to them for this reason, that this will use 10 percent of the surplus. But, it is more important than just using 10 percent of the surplus. If that surplus goes into dried milk, into butter, into cheese, and then into storage, it means a limited return to the dairy farmer, but if it is sold as fluid milk, the dairy farmer gets in dollars and cents about half again as much for that product.

Mr. Chairman, if this amendment is adopted, it will save the Federal Government the cost of storing this surplus in the form of butter, cheese, and dried milk. That is a very expensive operation at the present time, and that cost to the Federal Government through the Commodity Credit Corporation will be saved. Therefore, since this is merely transferring funds already appropriated for purchasing and storing surplus milk. so as to use it in its fluid condition for the benefit of men and women in our Armed Forces, this will not cost Uncle Sam a dime. In fact, it will save Uncle Sam present storage costs. It seems to me that this amendment has great merit

for the better health of our Armed Forces and for the economic drive to save money for our taxpayers. It will mean an increase in the income of our dairy farmers at a time when they are suffering a serious reduction.

Mr. JOHNSON of California. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield to the gentleman from California.

Mr. JOHNSON of California. I want to joint with the gentleman and also commend him for offering this amendment. This is a very important amendment to California, like it is to New York, and I think the gentleman has a very constructive way to handle a very distressing and troublesome surplus.

I am also very sorry that a point of order was raised against it, but I appreciate that points of order must be raised in certain situations. But I hope we can find some way to put into effect what the gentleman has in mind in order to help dairy farmers who are now in great distress in various parts of the country.

Mr. ROOSEVELT. I thank the gentleman.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I am glad to yield to the gentleman from Iowa.

Mr. GROSS. I, too, want to commend the gentleman. I think the gentleman ought to point out to the Members of the House who are on the floor today that the daily ration of fluid milk in the armed services is one-half pint.

Mr. ROOSEVELT. It is a glass of milk, such as the glass that I hold in my hand. That is all that our boys in the Armed Forces are getting today.

Mr. MILLER of Kansas. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I am glad to yield to the gentleman from Kansas.

Mr. MILLER of Kansas. I should like to say that the same condition applies in Kansas. We also have an extensive dairy industry there. I think we can all agree that this Government could not furnish any more nourishing food to our soldiers than milk. The very thought that they should be denied a reasonable ration when we have it in surplus is something which this Congress must consider.

Mr. ROOSEVELT. May I add for the benefit of the gentleman that all this amendment will do is to take 10 percent of our present surplus and, instead of putting it into storage, to put it into muscle and bone and the health and welfare of our boys in the armed services.

Mr. GROSS. Mr. Chairman, will the gentleman yield to me further?

Mr. ROOSEVELT. I am glad to yield. Mr. GROSS. The gentleman is now referring to domestically produced milk?

Mr. ROOSEVELT. This is all domestically produced milk; yes. This is in fluid, fresh form. That is the way my amendment reads.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT: I yield to the gentleman from Michigan.

Mr. FORD. The gentleman on March 6 circularized by letter all the members

of this subcommittee. And, speaking for the subcommittee, I appreciate the method by which he contacted us in reference to this amendment. Subsequent to the receipt of the gentleman's letter I checked with the Army to find out the facts from the Department's side. I have information here which indicates, in reply to the contentions made by the gentleman from New York [Mr. Roose-VELT] that several statements in his letter, while they may be technically correct, in practical effect are inaccurate and misleading. For example, the statement made that each individual has an allowance of one-half pint per day is, I suspect, probably true, but the net amount that each individual gets-and they have made a number of tests throughout the Army-is up to a pint and a half of milk for his own consumption.

I believe the Army, Navy, and Air Force should emphasize milk consumption by all personnel, however, the method suggested by the gentleman from New York [Mr. ROOSEVELT] is not the practical way to accomplish the desired result.

The CHAIRMAN. The time of the gentleman from New York has expired. (Mr. ROOSEVELT, by unanimous consent, was given permission to pro-

ceed for 1 additional minute.)

Mr. ROOSEVELT. In cooking the daily ration of the Armed Forces some dairy products are presently used. That, in my opinion, should continue and my amendment contemplates that. All I say is that the enlisted men and women should be entitled, instead of their present allotment of 1 glass of fluid milk per day, to receive 1 quart of fluid milk per day.

Mr. SIKES. Mr. Chairman, will the gentleman yield?

Mr. ROOSEVELT. I yield. The CHAIRMAN. The time of the gentleman from New York has again expired.

Mr. SIKES. I ask unanimous consent, Mr. Chairman, that the gentleman may have an additional minute so that I may make an observation.

The CHAIRMAN. Is there objection to the request of the gentleman from Florida?

There was no objection.

Mr. SIKES. I think what the gentleman is trying to do is a very fine thing. I do not believe anybody in the House would want to prevent it. However, I do think it should be pointed out that there is certainly no disposition on the part of the Army or on the part of the Congress to prevent the soldiers having more milk if they want it. The practical sense of the situation is that the wishes of the troops have been taken under consideration. Many of them prefer tea or coffee to milk. It is not actually a matter of denying them additional milk. It is a question of giving them what they prefer. I agree with the gentleman that it would be a fine thing if they consumed more milk.

Mr. ROOSEVELT. Let me say to the gentleman that from my own personal experience in destroyers in the last war-and I had 5 years riding tin

cans—that the first thing my enlisted men did when they hit the beach was to go for a glass of milk. They may like coffee, too, and I am not saying that they should not have coffee, even though the price goes through the roof. Also, they may like tea. But I know that the enlisted men of this country would be a lot better off if they had more milk.

Mr. SIKES. Of course, the gentleman knows that it is very difficult to store fresh milk on a destroyer.

Mr. ROOSEVELT. Yes; that is a difficult situation.

Mr. FORD. Mr. Chairman, I press the point of order, based on the fact that this amendment seeks to change existing law, first; secondly, it seeks to provide funds other than those provided in the act; and, thirdly, I believe it seeks to place additional duties on the Secretary

of the Army.
The CHAIRMAN. Does the gentleman from New York [Mr. ROOSEVELT] desire to be heard on the point of order? Mr. ROOSEVELT. Yes, Mr. Chair-

May I say in opposition to my friend on the point of order that this does not change existing law insofar as appropriations have been made. As I pointed out, this does not call for any new appropriation. It merely marks the transfer of existing appropriations for dispensation in accordance with the amendment.

The CHAIRMAN. The Chair is ready to rule.

The Chair is of the opinion that the amendment is legislation on an appropriation bill, and that the point of order is well taken. The Chair sustains the point of order.

Mr. YATES. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the high-school ROTC program, since its inception, has been one of the most important reserve training programs offered by the armed services. It has been of great value to the high-school students and to the Army. It has earned the high commendation of those participating in the program. of the school officials supervising the program, and of leaders in the community. Yet, several years ago, for some unknown reason, the Army undertook to cut down the program to a level which amounted to its destruction.

I testified before the Armed Services subcommittee urging support for the high-school ROTC program, and I am grateful that the committee agreed with my views by allowing the full amount requested by the Bureau of the Budget for this training program. If I may have the attention of the chairman of the subcommittee, the gentleman from Michigan [Mr. Ford], I should like to refer his attention to the bottom of page 16, wherein the following paragraph appears:

The committee is concerned about another area in the utilization of manpower, where it feels that an increase in the numbers of military personnel assigned might well be justified. In recent years the numbers of military men assigned to the junior Reserve Officers' Training Corps program has been decreased, and the budget estimate makes no reference to an increase. The committee suggests that the Army might find it pos-

sible to utilize some of the spaces found unnecessary elsewhere in the sphere of high-school ROTC instruction, particularly where the local community vigorously supports the program.

I should like to ask the gentleman whether it is not the intention of the subcommittee that the junior ROTC program be operated on an efficient and strong basis—one which will permit the high schools in cities such as Chicago to maintain a large effective program. Is not that the intention of the Appropriations Committee, I ask the gentleman?

Mr. FORD. The question asked by the gentleman from Illinois can be answered this way: The committee made no change in the dollar amounts that were requested by the Department of the Army for the high-school program. The funds requested for that program were fully allowed. In addition, the committee felt that the Department of the Army should vigorously and aggressively support those communities which have, in turn, actively supported the high-school ROTC program.

As the gentleman has pointed out to our committee on two occasions, in the hearings last year and again in the hearings this year, the city of Chicago does actively and aggressively believe in the program. We in the committee think that the Army should return that kind of enthusiasm with equal enthusiasm by

the Army itself.

Mr. YATES. I thank the gentleman, not only for his part in approving the budget request, but as well for having helped me in my efforts to restore the program to the status it enjoyed prior to the unwarranted reduction by the Department of the Army. There has been a restoration in the staff of military instructors in Chicago high schools since we began our fight over a year ago. The program has not yet received the necessary staff employed prior to the reduction by the Army, but the outrageous cuts that had been made by the Department of the Army have been corrected in great measure. Today there are 13 officers and 53 enlisted men in the Chicago schools handling the ROTC program. Fourteen to 17 Chicago high schools have only 1 enlisted instructor. This is still an insufficient number even though it is an improvement over what it was in the past. In order for the Chicago high-school program to be operated properly, the bare minimum requirement for Army personnel is 16 officers and 70 enlisted men, and I trust that the Department of the Army will take immediate steps to assign this number of instructors to the Chicago school program.

In the testimony that appears on page 927 of the hearings, in response to questions from the gentleman from Michigan [Mr. Ford], Colonel Lindeman testified that when ROTC units in high schools do not meet certain quotas, the training programs are dropped. I know it is the intention of the Appropriations Committee, in view of the fact that the program is so well appreciated and supported so vigorously in the city of Chicago, that as other high-school ROTC units are dropped, their instructor personnel will be made available for duty in

the schools of Chicago.
Mr. BROOKS of Lousiana. Chairman, will the gentleman yield?

Mr. YATES. I yield. Mr. BROOKS of Louisiana. I think the tendency all over the United States has been to cut down the staff of the junior ROTC. I think it is deplorable that that tendency has occurred. There is great enthusiasm for the junior ROTC. They have done an excellent job and it is very popular wherever it has been inaugurated and carried on. I am very glad that the gentleman has taken an interest in it. I would like to add one more word. We ned a new ROTC bill covering both junior and senior ROTC's. We need some reorganization. We need a little more efficiency, and we need to place just a little more emphasis and more importance upon the ROTC program. I hope that we can come to the Congress within a reasonable period of time with a new ROTC bill completely overhauling and revamping the program of both the junior and senior ROTC.

Mr. YATES. I thank the gentleman

for his remarks.

(Mr. YATES asked and was given permission to revise and extend his remarks.)

Mr. WIGGLESWORTH. Mr. Chairman, I ask unanimous consent that all debate on this paragraph do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection. The Clerk read as follows:

Maintenance and operations

For expenses, not otherwise provided for, necessary for the maintenance and operation of the Army, including administration and rentals at the seat of government; medicai and dental care of personnel entitled thereto by iaw or regulation (including charges of private facilities for care of military personnel on duty or leave, except elective private treatment), and other measures necessary to protect the health of the Army; disposition of remains, including those of all Army personnel who die while on active chaplains' activities; awards and medals; welfare and recreation; information and educational services for the Armed Forces; recruiting expenses; subsistence of prisoners at discriplinary barracks, and of civilian employees as authorized by law; expenses of apprehension and delivery of prisoners escaped from disciplinary barracks, including payment of rewards not exceeding \$25 in any one case, and expenses of confinement of such prisoners in nonmilitary facilitles; donations of not to exceed \$25 to each prisoner upon each release from confinement in a disciplinary barracks; military courts, boards, and commissions; authorized issues of articles for use of applicants for enlist-ment and persons in mllitary custody; civilian clothing, not to exceed \$30 in cost, to be issued each person upon each release from confinement in an Army prison and to each soldier discharged otherwise than honorably, or sentenced by a civil court to confinement in a civil prison, or interned or discharged as an alien enemy; transportation services; communications services, including construction of communication systems; maps and similar data for military purposes; mllitary surveys and engineering planning; alteration, extension, and repair of structures and property; acquisition of lands (not exceeding \$5,000 for any one parcel), easements, rights-of-way, and similar interests in land, and, in administering

the provisions of 43 U.S. C. 315q, rentals may be pald in advance; utility services for buildings erected at private cost, as author-ized by law (10 U. S. C. 1346), and buildings on military reservations authorized by Army regulations to be used for a similar purpose; purchase of ambulances; hire of passenger motor vehicles; tuitlon and fees incident to training of military personnel at civilian institutions; field exercises and maneuvers, including payments in advance for rentals or options to rent land; expenses for the Reserve Officers' Training Corps and other units at educational institutions, as authorized by law; exchange fees, and losses in the acounts of disbursing officers or agents in accordance with law; expenses of inter-American cooperation, as authorized for the Navy by law (5 U. S. C. 421f) for Latin-American cooperation; not to exceed \$4,396,-400 for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government; \$2,792,179,000.

Mr. JOHNSON of Wisconsin. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the gentleman from New York [Mr. ROOSEVELT] offered an amendment in regard to the consumption of milk in the Armed Forces which the Chair has just ruled out of order.

At this time, I wish to call the attention of the gentleman from New York [Mr. ROOSEVELT] to the fact that I have introduced a bill, H. R. 8600, and that a companion bill has been introduced by the gentleman from North Carolina [Mr. COOLEY]. Both of these bills have been referred to the Armed Services Committee. My bill and Mr. Cooley's bill increase the daily allowance of milk, butter, and cheese in the Navy ration and require corresponding changes in the Army and Air Force ration. Both my colleague, the gentleman from North Carolina [Mr. Cooley], and I would gratefully accept the support of the gentleman from New York [Mr. ROOSEVELT] and any other Members of Congress in securing a hearing for our bills before the Armed Services Committee. I have written to all the members of the Armed Services Committee requesting such a hearing.

If our bills are enacted, the consumption of fresh milk or its equivalent by the armed services will be tripled. The use of cheese will be doubled and the consumption of butter will be increased substantially. The bills provide for an increase in the daily allowance of fresh milk for Navy personnel from one-half pint to one quart. The evaporated milk ration would be raised from 4 ounces to 1 pint, the powdered milk ration would be increased from 1 to 4 ounces and the cheese ration would be boosted from onehalf ounce to 1 ounce.

The bills direct the President, under his administrative authority, to make like amounts of dairy products available to members of the other armed services.

I agree with the remarks of the gentleman from New York [Mr. ROOSEVELT] that the amount of milk available to our soldiers, sailors, and marines is tragically low. I believe there is no sense in worrying about so-called surpluses of butter and milk when much of it could be used

to provide an adequate diet for the men who defend our country.

The equivalent of 2.6 billion pounds of whole milk from our domestic production was consumed by the armed services last year. They used 900 million pounds of fluid milk and cream; 103 million pounds of condensed and evaporated milk; 14 million pounds of dried whole milk; 10 million pounds of dried skim milk: 98 million pounds of ice cream, and 43 million pounds of butter. Although this may sound ilke a lot, still when you break it down to individual consumption figures, it becomes an unwisely low amount. I am convinced that the bills introduced by Congressman Cooley and myself could very well be a partial answer to the dairy surplus problem that confronts our Nation. I also believe that we are not faced with a problem of overproduction, but rather one of underconsumption

Mr. DONOHUE. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dononue: On page 8, line 21, after the dollar sign, strike out "\$2,792,179,000", and insert in lieu thereof "\$2,795,722,986."

Mr. DONOHUE. Mr. Chairman, the fundamental purpose of this amendment is to enable the Secretary of Defense, through the Army Surgeon General, to carry out Presidential instructions to provide adequate medical and dental care for military personnel and their families.

The immediate objective of this amendment is to enable the Department of the Army to continue the full operation of Murphy Army General Hospital, located in Waltham, Mass.

Testimony given by high military officials at a public meeting here yesterday revealed the Surgeon General does not want to close this admittedly superior medical facility. Statistics and charts of the treatment and services rendered at this hospital from its inception to this date demonstrated the resources of the hospital have been consistently and fully utilized. There is, therefore, no question and no doubt concerning the positive need for this medical military unit.

The location of the hospital, adjacent to Boston, Mass., one of the greatest and largest medical centers in the world, is an admittedly superior advantage over most other like hospitals. Patients are thereby accorded the particular benefit of observation and diagnosis, upon emergency, by some of the leading specialists and consultant civilian doctors in the country, without any obstacle of lengthy travel or contact difficulties. The military professional hospital staff is thereby easily afforded the educational and inspirational opportunity of intimate association with the most learned and experienced medical authorities in the Nation. Doctors, military personnel, and their dependents can go or be brought to the hospital in the speediest fashion as the highway routes are of the most modern type, and Boston possesses one of the largest and most efficient railroad and air terminals in this country.

However, those are only a few of the physical factors involved. This general

hospital is practically the only military hospital in the First Army area. It is designed to serve not only Massachusetts but the entire New England area and most of New York and parts of New

Mrs. ROGERS of Massachusetts. Mr. Chairman, will the gentleman yield?
Mr. DONOHUE. I yield.

Mrs. ROGERS of Massachusetts. It is the only military general hospital east of Valley Forge?

Mr. DONOHUE. That is right. Military officials have stated that that particular area is the densest recruiting area

in the country.

If this hospital should close, those needing treatment would have to go, at great hardship, as far away as the general hospital in Pennsylvania or Walter

Reed in Washington.

Mr. Chairman, the highest Government sources have expressed grave concern over the many and increasing signs of lowering morale among our present and potential military personnel. In my considered judgment, it is axiomatic that a military unit is no better than the spirit existing among its members, and the morale of their families behind them, despite whatever powerful war weapons that may be possessed. I believe, and I am sure you will all agree, it is only commonsense to judge that assurances to military personnel and their dependents that their medical needs will be fully and completely provided for is the major factor in the maintenance of a high spirit and morale.

I must confess I know not how to measure morale and spirit in dollars and cents. As a Member of Congress, I am as vitally interested in promoting economy as anyone, but I emphatically feel, while we are granting billions to questionable allies, a comparatively small expenditure to insure an essential high spirit and morale in our fighting forces and their dependents is a very sound investment in the security of this Nation.

With the threatening shadow of Indochina hanging over us, no man can foretell the future. In the patriotic objective of preventing any further disastrous decline in our Armed Forces morale, I most earnestly and sincerely request and urge you, my colleagues, to unanimously approve this amendment in the national interest.

Mr. FORD. Mr. Chairman, I rise in opposition to the amendment.

(Mr. FORD asked and was given permission to revise and extend his remarks.)

Mr. FORD. Mr. Chairman, the closing of this hospital is in line with the overall program of the Department of the Army to accomplish its job effectively and well with a reduction in expenditures and a cutback in troop strength. I know of no other way that you can cut back expenditures except by making some change in a previous program that costs more.

The Army's program called for a closing of a total of three hospitals. The hospital in Massachusetts was one of the three selected. I think the Army has tried to make an intelligent evaluation of the necessity for this facility. The facts, as I understand them, are as follows: The total bed capacity is slightly over 500.

According to information that has been given to me, the facility has been used approximately 75 percent of the time. The average bed occupancy has been approximately 75 percent. I refer you to a statement placed in the RECORD by the distinguished gentleman from Massachusetts [Mr. Lane] at page A3069 in the RECORD of yesterday. In other words, this facility in the State of Massachusetts has been used approximately 75 percent of the time for the past year.

It must be pointed out also that within a distance of 30 miles from Murphy General Hospital is Fort Devens. Fort Devens they have a hospital facility which has a potential capacity of 800 beds. For the past year the hospital facilities at Camp Devens have utilized approximately 80 percent.

The facility at Fort Devens is adequate in the estimation of the Army to handle the additional burden or patient load thrown upon it if Murphy General

Hospital is closed.

In addition to the troops that are stationed in Fort Devens-as I understand there are around 12,000 or 15,000—there are only 4,000 additional military personnel in the area which the Murphy General Hospital serves. In other words. you wish to keep in operation a hospital that would serve only 4,000 additional personnel, when in reality the hospital at Fort Devens could adequately take care of this load.

Mr. HESELTON. Mr. Chairman, will

the gentleman yield?

Mr. FORD. I yield to the gentleman from Massachusetts.
Mr. HESELTON. It is my under-

standing that the Fort Devens Hospital is what you call a station hospital. It has no nursery; consequently, the benefits to the dependents of servicemen will be cut off entirely. I think I am stating the facts in connection with it.

Mr. FORD. The Department of the Army has tried to set standards for the closing of hospital facilities. Under this criterion, as I understand it, a hospital must have a record of 88-percent utilization. As I indicated before, the Murphy Army Hospital just does not meet that criteria.

Mr. GAVIN. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Pennsylvania.

Mr. GAVIN. I understand-maybe the gentleman can correct me if I am wrong—that no hospital is ever used to 100-percent capacity. The best that can be taken care of at any time is about 80 percent. If this hospital is being utilized to 88-percent capacity then they are

overcrowded, I would say.
Mr. FORD. This hospital is not being used up to the standard set by the Army. Mr. GAVIN. Does the gentleman mean the Murphy Army Hospital?

Mr. FORD. The Murphy Army Hospital; yes.

Mr. GAVIN. It has been used. visited the hospital as a member of the Hospital Subcommittee of the Committee on the Armed Services when an at-

tempt was made to close it in 1950, and it has been used ever since.
The CHAIRMAN. The time of the

gentleman from Michigan has expired.

(On request of Mr. Sikes, and by unanimous consent, Mr. Ford was allowed to proceed for 5 additional minutes.)

Mr. GAVIN. We have been there to look over that hospital. It is a very important hospital to Massachusetts and the area, and, in my opinion, it would be a drastic mistake if the Department of the Army were to close it up. It is needed, and needed badly.

Mr. SIKES. Mr. Chairman, will the

gentleman yield?

Mr. FORD. I yield to the gentleman from Florida.

Mr. SIKES. I dislike very much to find myself in disagreement with my very able friend from Massachusetts [Mr. Donohue], and other members of the committee who want to see this hospital continued. I certainly would not willingly subscribe to the denial of any needed medical facilities for our Armed Forces. However, I do want to second what the chairman of the Army Subcommittee has stated. This is the best judgment of the Department of the Army, considering the budget under which they must operate and the troop strength for which they must provide medical facilities. It is an effort on their part to carry on a more efficient operation and at the same time to utilize more effectively the limited number of doctors and nurses that are available. We must take those things into consideration and I think we are on sound ground when we follow the recommendations made to the committee by the Department of the Armv.

Mr. FORD. I thank the gentleman. Mrs. ROGERS of Massachusetts. Mr. Chairman will the gentleman yield?

Mr. FORD. I yield to the gentlewoman from Massachusetts.

Mrs. ROGERS of Massachusetts. General Hershey's office as of yesterday said that the number of soldier personnel being served out in Arkansas, which has not been closed, was 98,000, whereas the soldier personnel that would be served and is being served by the Murphy Army Hospital, and they take patients direct from New York, is several hundred thou-

Mr. FORD. I may say to the distinguished gentlewoman from Massachusetts that I regret exceedingly the accusations that have been made that one geographical area was being preferred over another. I do not think that was the basis upon which the decision was made. If we want to be sectional about this situation, I may say that in the State of Michigan we have a hospital closed within the last 6 months. I daresay if you wanted to add up all the people who would be served in that area it would equally match the population figures cited by the distinguished gentlewoman from Massachusetts. We have to rely upon the intelligent, conscientious determinations made by the people in the Army who are, I believe, without any sectional preferences.

Mr. BATES. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Massachusetts.

Mr. BATES. May I say to the gentleman that we met for 41/2 hours yesterday with representatives of the Army on this very matter, and I can say further to the gentleman that a final determination by the Army has not been made. The information has been filed by us and offered to the Army on yesterday and it will be offered to Secretary Stevens at the earliest opportunity. But here is the strange position we find ourselves in: Unless the amendment offered by the gentleman from Massachusetts is agreed to there will be no way by which the Army can operate this hospital, regardless of what determination they might make. In fact, it does not do any good unless we have the funds with which to operate.

Mr. FORD. The record should be made clear that for the Surgeon General's utilization in this bill we have around \$179 million in fiscal 1955 for the operation of hospitals, medical care, and related activities. I cannot help but believe that if a decision was made by the responsible people in the Department of the Army to continue the operation of Murphy Army Hospital, that out of the \$179 million available for this program the Department could find adequate funds to keep Murphy Army Hospital open between July 1 and December 31. Certainly, they could exist, and then they could come back to the Congress in January for a supplemental. This committee, if the responsible officials in the Army want funds to keep that fine hospital open, would certainly concur.

The CHAIRMAN. The time of the gentleman from Michigan has expired. (Mr. FORD (at the request of Mr. Mc-

CORMACK) was permitted to proceed for 5 additional minutes.)

Mr. BATES. I will say to the gentleman from Michigan that certainly was our hope when we had the hearing yesterday.

Mr. McCORMACK. Mr. Chairman, if the gentleman will yield, by the way, they said that this was excluded before the budget came up, that is, any appropriation for Murphy Army Hospital, is that correct; that this would have to be done in order for them to carry it on.

Mr. BATES. Unless this action is taken today, the hospital cannot possibly remain open during the coming fiscal

Mr. FORD. I will say to the gentleman from Massachusetts that if he will turn to the hearings on page 746, it indicates that the Department of the Army on March 15 said that they had closed Percy Jones Hospital in Battle Creek, Mich., and they were going to close two more.

Mr. BATES. They did not say anything on page 746 about the Murphy Army Hospital.

Mr. FORD. Earlier in the hearings, General Palmer, who is G-4 in the Army, on page 247 of the printed hearings, listed the facilities that were to be closed in fiscal 1954. Six have been closed and six more are to be closed. He lists on page 247 the closing of Murphy Army Hospital, so that on March 1. any-

how, according to the printed record, this hospital facility was to be closed.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. The gentleman referred to the fact that recommendations by the Army were made, and I assume he meant from the Surgeon General, because this is in connection with hospitalization.

Mr. FORD. I am referring to the responsible people in the Army who have the job of making such recommendations.

Mr. McCORMACK. And certainly the gentleman would concede that the Surgeon General would be one of them.

Mr. FORD. He certainly is a qualified person, but I must say, and we all know that oftentimes someone in a position as responsible as the Surgeon General has his decision overruled by higher authority.

Mr. McCORMACK. The Surgeon General certainly would be one of those officials, would he not?

Mr. FORD. That is right.

Mr. McCORMACK. On October 5, 1953, I received a letter from Surg. Gen. George E. Armstrong in which he said in reply to my letter:

The current plans of the Army Medical Service do not contemplate that Murphy Army Hospital will be declared surplus to the needs of the Department of the Army. Murphy Army Hospital presently is scheduled to continue in operation as a specialized treatment center.

I asked General Carter yesterday, "Now, I construe that to mean not only to the end of the fiscal year but at least next fiscal year." And he agreed that that was a reasonable interpretation. I asked him yesterday if there was any different situation: "Is there just as much need now for Murphy Army Hospital as a specialized treatment center today as there was on October 5?" And he said, "Yes."

Mr. FORD. We have to go by the printed record which is submitted to us, and on page 247 of the hearings testimoney by General Palmer, G-4, of the Army, indicates that Murphy Army Hospital was surplus to the needs of the Department of the Army.

Mr. McCORMACK. That was as of what date?

Mr. FORD. March 1.

Mr. McCORMACK. Well, the representative of the Surgeon General said yesterday the first notice he got was March 17. Is that not correct?

Mr. BATES. I believe that is correct.
Mr. McCORMACK. And on February
12 I had a letter from Secretary Stevens over his own signature that the
decision had not been made and that a
survey was being made.

Mr. BATES. And General Carter said also on page 746 of the hearings that the Army-Navy Hospital in Arkansas was going to be closed. Now he has changed his point of view in that particular respect. The point that I was trying to make with the gentleman was this. We had a 4½-hour hearing on yesterday. Mr. Young, a representative

of the Secretary, said that he would convey to the Secretary the remarks which the Representatives from Massachusetts made, but that if the Secretary makes the determination that it is necessary to continue the operation of a hospital in Waltham, Mass., he will not have the funds, according to Mr. Young.

Mr. FORD. May I answer the statement by the gentleman from Massachusetts (Mr. Bates)? This bill will undoubtedly be approved here today with or without the funds requested. But if without—in other words, if this amendment is defeated—then the bill will go to the Senate. I am certain that this bill will not be approved in that distinguished body within the next month or two. The Army will have adequate time to make up its mind as to whether or not it should reverse itself in reference to Murphy General Hospital.

The CHAIRMAN. The time of the gentleman has again expired.

(By unanimous consent (at the request of Mr. McCormack), Mr. Ford was granted an additional 2 minutes.)

Mr. BATES. I should say to the gentleman that it would work the other way, too.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield to me?

Mr. FORD. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. Of course, I think my friend recognizes that just turning this over to the other body puts us in a rather uncomfortable position. Here we have the distinguished Speaker of the House from Massachusetts; the distinguished ranking Republican of the Committee on Appropriations from the district in Massachusetts adjoining mine; the chairman of the Armed Services Committee of the Senate from Massachusetts. And here is a promise that we got that they would keep this hospital open. The gentleman's committee has done well, but they ought not to oppose this in the light of this evidence.

Mr: FORD. I will say that the potency of the opposition which I face here today, to be very realistic, is overwhelming. Nevertheless, the facts justify our position in opposing the amendment. We have just checked with the Department of the Army, and information has been given to me that instead of the \$3,500,000 that the gentleman from Massachusetts has asked for in his amendment, in reality, the only amount that is needed in this section of the bill, "Maintenance and operation," for the continuation of Murphy General Hospital in fiscal year 1955, is \$739,896.

Mr. DONOHUE. Those were the figures given to us by the Surgeon General's Office of the Department of the Army only yesterday.

Mr. FORD. The point that I am making is that to keep a hospital open you do not put all the money into the maintenance and operation portion of the bill. There should be a part of the addition funds in military personnel, Army, section.

Mr. WIGGLESWORTH. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I just want to say this in this connection.

Whether or not this hospital is to be kept open or closed must, of course, ultimately rest in the decision of the Depart-

ment of the Army.

The Subcommittee on the Army who heard the testimony from the military officials, the subcommittee headed by the gentleman from Michigan [Mr. FORD] who has just spoken, made available every dollar requested for hospital purposes, except for certain reductions resulting from a decrease in the price levels in respect to certain supplies to be acquired for those hospitals.

As a Representative from the State of Massachusetts I have, of course, been greatly interested in this hospital, in the light of the need which so many people in the community feel should be sufficient to bring about favorable action on the part of the Department of the Army.

The Massachusetts delegation for a considerable period of time has been doing everything in its power to bring about a favorable decision. Only yesterday, as the gentleman from Massachusetts [Mr. BATES] has pointed out, there was a long conference with officials of the Department of the Army with a view to presenting further evidence to this end.

I have this morning received a letter signed by Mr. T. A. Young, Special Assistant to the Secretary of the Army, which under leave to extend my remarks I include at this point in the RECORD:

DEPARTMENT OF THE ARMY, OFFICE OF THE SECRETARY OF THE ARMY, Washington, D. C., April 29, 1954. Hon. RICHARD B. WIGGLESWORTH,

Chairman, Armed Services Subcom-mittee, Committee on Appropriations, House of Representatives.

DEAR MR. CHAIRMAN: In accordance with the request received as to the current status of the Murphy Army Hospital, I should like to submit to you the following information:

The Murphy Army Hospital in Waltham, Mass., was approved for inactivation in March of this year, the inactivation to be effective in June of this year. Subsequent to the approval of the inactivation of this facility, the Secretary of the Army directed that the matter be reviewed. This review is currently underway and information sub-mitted by the various Members of the Mas-sachusetts delegation, which was submitted to the Department of the Army representatives on April 28, during a hearing called at the request of the Massachusetts delegation, will be considered during the course of this review.

Pending completion of this review and final determination of the Secretary of the Army concerning the future status of the Murphy Army Hospital, no further action is contemplated toward the inactivation of this facility.

With highest personal regards, I am Sincerely yours,

T. A. Young,

Special Assistant to the Secretary of the Army.

Mr. WIGGLESWORTH. As you will note, the letter points out that a decision was taken in March to inactivate the hospital in June, that subsequently the Secretary of the Army directed that the matter be reviewed, that the review is still underway, and that pending completion of the review and final determination by the Secretary of the Army concerning the future status of the hospital, no further action is contemplated toward the inactivation of this facility.

Under the circumstances, as a personal matter I shall support the appropriation of whatever funds are necessary for the continuation of the operation of the hospital with the understanding that if the decision of the Secretary is favorable to continuing the operation of the hospital the funds will be available, and that if it is unfavorable the funds will not be utilized and will revert to the Treasury.

Mr. RIVERS. Mr. Chairman, I move to strike out the last word, and rise in

support of the amendment.

Mr. Chairman, I feel compelled at this time to take the floor in defense of Murphy General Hospital.

In 1950, as chairman of the Subcommittee on Hospitalization of the Committee on Armed Services, I and the members of that committee traveled 7,000 miles over this Nation reviewing the hospitals at the time when the then Secretary of Defense, Louis Johnson, embarked on the program of cutting the hospitalization in the armed services of this country. Murphy General was one of them. We went to Waltham, Mass., and went over every nook and cranny of that institution. The gentlemen from Massachusetts [Mr. Dononue and Mr. PHILBIN] came along and gave us abundant testimony on the need for this institution. The Surgeon General then was very much exercised about the unwarranted closing of this fine institution in the First Army area.

We saw the hospital installation at Fort Devens, which was not fit for human habitation, and it was our conclusion and recommendation that we retain and maintain Murphy General for the needs of the Army, their dependents, and for the good of the service, and to be particularly available for the First Army area, in which it was located.

We ought to keep this hospital. It is one of the few, I understand, in our military admitted to the American Hospital Association.

We do not know what is coming by those who are sponsoring our active participation in Indochina, but let me tell you this: Whether it be the First Army area, the Second Army area, or the Tenth Army area, every section of this Nation will be in that war or any other war if and when we participate in one. We need this hospital. We have jumping-off places in New England in case of a conflict, and you know that. No part of this Nation is totally independent of any other. We have to keep our hospitalization program a well rounded one. I do not know what funds are necessary to keep this fine institution in active operation, but I know this. I will bet my bottom dollar that the Surgeon General of the United States wants it, and if the budget will permit, I guarantee he will tell you that he wants to keep it open. I think we owe a responsibility to that area of this country in which the First Army Corps is located. We owe a responsibility to those fine people who are so actively participating in our over-

all defense effort. We owe a responsibility to the mission that this institution fulfills, and we owe a responsibility to our military. Let us vote whatever money is necessary, and let us tell the military and the Department of Defense and the Department of the Army that it is the sense of this Congress that that hospital be not closed; that its mission be sustained, that its mission be delineated. and that its mission, if necessary, be legislated here today. I make no reflec-tion upon my fine colleague on the subcommittee of the Committee on Appropriations for the Military Establishment—you have done a fine job, but we all have a responsibility. Let us give these people and let us give this section of our country in the First Army area adequate hospitalization—anything short of that is not only foolhardy but very shortsighted and lacking in vision. Let us vote for this appropriation today.

The CHAIRMAN. The Chair recognizes the gentlewoman from Massachusetts [Mrs. Rogers].

Mrs. ROGERS of Massachusetts. Mr. Chairman, as chairman of the Massachusetts Republican delegation, I asked the Massachusetts Members and other interested persons to join in a meeting yesterday to consider certain facts in regard to the Murphy General Hospital in Waltham, Mass. I am delighted to state that the entire Massachusetts delegation gave their complete cooperation, and may I say that I am very grateful indeed that all of the Members of the delegation were represented. I am also very grateful for the cooperation of the Department of the Army and Department of Defense for sending down to this meeting high-ranking personnel to answer questions in regard to this very important matter.

I called this meeting vesterday for two reasons. I think it was important to obtain the facts in regard to the closing of the Murphy General Hospital in Waltham, Mass. The people of Massachusetts, as well as all of their Representatives in the Congress, and all other interested parties, certainly have a right to know these facts. Secondly, and what is to me much more important, I called this meeting to find out the constructive ways and means of keeping this hospital open. We are more concerned with keeping it open than we are with details surrounding its closing.

The categorical statement had been made that the Murphy General Hospital in Waltham was closed in order that a hospital in Arkansas might be kept open. It has been alleged that the closing of the Murphy Hospital was brought about by political pressure and political considerations. At this hearing yesterday this allegation was discussed and was quite precisely, quite definitely, and quite accurately considered.

It is my view our country is facing very grave times. The international sit-uation is serious. In spite of our desires for peace and our prayers for peace we do not know at this time the course this great Nation must follow. Freedom is challenged and a challenge to the existence of freedom is a challenge to the existence of America.

In order to be constructive and to be helpful, and in view of this tense international situation, I suggest to the Department of the Army and to the Department of Defense that facilities such as the Murphy General Hospital not be closed. I request that the Murphy General Hospital be kept open for another year or until we have a chance to ascertain and determine whether or not its facilities will be required because of war, and God forbid that war should come. In my view, this is no time to be reducing the facilities which have a relationship upon the defense of our country. We cannot talk big at Geneva and talk little to the people of Massachusetts and other communities throughout this Nation.

Mr. Chairman, I would like to point out that when the Murphy General Hospital was closed in 1950 against my protest and over the protests of a great many in the First Corps area, it was only 2 or 3 months afterward that the socalled police action was declared in Korea, the terrific Korean conflict was under way and the Department of the Army was forced to open and reactivate the Murphy General Hospital. It is very costly to close a large facility such as the Murphy General. It is extremely expensive to deactivate a hospital and it is very expensive to reactivate a hospital. In view of the Indochina situation today, I feel somewhat superstitious about closing the Murphy General Hospital at this time. If the hospital is closed there are no beds available for the military personnel in the First Corps area. From the Public Health Service I am informed there is a shortage of 800,000 beds in hospitals devoted to civilian service. There is a great shortage everywhere. The naval hospital servicing the Boston area is operating at capacity and cannot care for the patients normally served by the Murphy General Hospital. Chelsea Naval Hospital cannot assume such an increase. As a result there is no place for the Murphy patients to go if the Murphy Hospital is closed.

While attending the dedication of the new research laboratory at the Bedford Air Force Base, which is in my district, I talked over problems with a number

of the military personnel.

One man said to me, "Mrs. Rogers, my wife is going to have a baby; and if Murphy Hospital is closed, there is no military hospital in this area where she can go. If I should have to go to Indochina, how am I going to feel going away when there is no hospital available to take care of my wife? Prior to the decision to close it, my wife could be taken care of at the Murphy General Hospital."

Fort Devens also is in my district. There are not enough beds at Fort Devens to care for the additional patients caused by the closing of Murphy General Hospital. There is a shortage of beds everywhere, in both military and civilian hospitals. In view of this fact I hope my colleagues will approve an additional amount in this appropriation sufficient to keep the Murphy General Hospital open.

This order to close the Murphy General Hospital has met with unanimous opposition in Boston and throughout the First Corps area. The people are thoroughly aroused. The people are determined, and so am I, to keep the Murphy General Hospital open and in use. Bankers, businessmen, professional leaders, clergy, in fact everyone regardless of politics, are united in this objective. Everywhere the plea is to keep open the Murphy General Hospital in Waltham.

It is a comparatively easy act for the Congress to order young men and women into the military service, and for them to be sent to the four corners of the world in the defense of our freedom and our way of life. Surely we owe these young Americans our cooperation and our help here at home. Is it asking too much to keep open and in use hospital facilities already constructed and already available for the care not only of these service people but also their dependents while they are giving so much to their country?

Look into your hearts. Look into your own feelings. Listen to your conscience. Is it too much to ask that Murphy General Hospital be kept open in the heart of the greatest medical center in the world, in order to provide proper medical care to those entitled to it and cannot obtain it elsewhere? Is this too much? My answer is that it certainly is not. I think you, my colleagues, will agree with me.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. Philbin].

Mr. PHILBIN. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, this amendment would permit the continued operation of Murphy General Hospital at Waltham, Mass. It has been ably presented and advocated by my very distinguished friend, our esteemed colleague, the gentleman from Massachusetts [Mr. Donohue], who represents the district in which the hospital is located. I hope I will not be too repetitious in this matter and that you will bear with me while I review a few of the facts.

At present the hospital is in operation under a suspension order by the Army. This hospital originally cost the Government about \$5 million. It serves thousands of armed services personnel, including expectant mothers whose young husbands are spread all over the world protecting our Nation. This is the only general Army hospital in New England. If it is closed, armed services personnel and their dependents will have to go about 400 miles to Valley Forge Hospital at Phoenixville, Pa., to get adequate medical care and treatment.

Murphy General Hospital is well built, well equipped, and well staffed at the present time. I would say to you it commands perhaps the most distinguished medical consultants and specialists in the world. Certainly no metropolitan area anywhere has better or more able or more successful medical experts than the Boston area. Boston is admittedly a great medical center. People come from all over the world to get the benefit of the extraordinary medical skills,

care, and hospital treatment that are available in that great city.

Why the Army should ever think of discontinuing this splendid general hospital and leave New England service personnel, their wives and families without proper available and adequate medical and hospital care is quite beyond my understanding.

This is not the first time that Murphy General Hospital was sought to be closed. Back in 1950, just a few months before Korea, under a previous administration I regret to say, some people who should have known better ordered the closing of this institution. This was done, just as the present proposed closing is urged, in the name of economy.

How ridiculous this situation is. Our Nation is spending billions of dollars for human welfare overseas, and denying proper, adequate medical care and treatment to the defenders of the Nation and their dependents, their wives and children, and even wounded and stricken heroes of Korea. There is absolutely no justification for this closing. There is no possible justification for cutting off the services of this urgently needed installation. The record is filled with testimony that it is urgently needed. The medical branch of the Army, which was never informed of this proposed closing until after the closing order was issued by high level Pentagon pennypinchers, has stated the need. We listened all day to testimony from people who are well informed giving us the facts. We have secured the facts from many reputable sources. We are not relying alone on the judgment of military authorities, but other authorities who know what this situation is. The able Surgeon General of the Army is well aware of the need for this hospital.

Mr. McCORMACK. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield to my distinguished friend.

Mr. McCORMACK. General Carter testified yesterday before the delegation that there is just as much need today for the specialized treatment of wounded at the Murphy General Hospital as there was when General Armstrong wrote to me on October 5.

Mr. PHILBIN. That is a very impressive piece of evidence. There is indeed just as much need as there was when General Armstrong informed you there was need for this hospital last October. In my opinion, there is a much greater need.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

(Mr. PHILBIN asked and was given permission to revise and extend his remarks.)

(By unanimous consent (at the request of Mr. Nicholson), Mr. Philbin was granted 1 additional minute.)

Mr. NICHOLSON. Mr. Chairman, will the gentleman yield?

Mr. PHILBIN. I yield to my good friend, the distinguished gentleman from Massachusetts.

Mr. NICHOLSON. I was going to make some remarks on this meritorious amendment, but after listening to the gentleman's splendid explanation of the question, I do not think it is necessary. I think you have admirably covered every point that should be covered.

Mr. PHILBIN. I thank the able gentleman. I am happy to have his gen-

erous comment.

Mr. SCRIVNER. Mr. Chairman, I ask unanimous consent that all debate on this amendment close in 10 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kansas?

There was no objection.

Mr. McCORMACK. Mr. Chairman, reserving the right to object, this is outside of the 5 minutes the gentleman from Massachusetts [Mr. Lane] is entitled to. He had been recognized and righted

The CHAIRMAN. The gentleman from Kansas [Mr. Scrivner] asks unanimous consent that all debate on this amendment and all amendments thereto close in 15 minutes, the first 5 to be used by the gentleman from Massachusetts [Mr. Lane]. Is there objection?

There was no objection.

Mr. LANE. Mr. Chairman, far be it from me to attempt to prolong this debate; but may I repeat, as has already been stated in this argument on this amendment, that this matter is of grave importance to the membership of Congress from Massachusetts and the entire delegation from New England.

This, Mr. Chairman, is not a party matter. Proof of this is the fact that at the public hearing yesterday we had the present Governor of our Commonwealth, the former Member of the House, the Honorable Christian Herter; also Senator Saltonstall, who is chairman of the Armed Services Committee of the other body; and all the members of the Massachusetts congressional delegation from both the right and left side of the middle aisle, all favoring the retention of Murphy Army Hospital.

I am sorry, Mr. Chairman, that the committee has seen fit to object to or oppose this amendment offered by my colleague, the gentleman from Massachusetts [Mr. Dononue], in whose district this hospital is located. This amendment merely seeks to add threemillion-odd dollars to the appropriation in order that we may continue the Murphy Army Hospital. I have no quarrel with the committee that studied this matter. It has made a recommendation in reference to the appropriation for the armed services, but as I read their report I find little or nothing in the report that could have been helpful to that committee in deciding whether or not the Murphy Army Hospital should be retained. There was little or nothing said by the officers who testified in the early part of March on page 247, where Lt. Gen. W. B. Palmer stated at that time that the Murphy Army Hospital was under consideration for closing. Since then we find that substantial evidence has been offered, especially on yesterday, to the Members of Congress that the Murphy Army Hospital should be retained.

May I repeat, because of the fact some Members were not present to hear the excellent statement made by the gentleman from Massachusetts [Mr. Dono-HUE], that this is the only Army hospital in the First Army area, which includes not only our New England States— Massachusetts, Rhode Island, Connecticut, Maine, New Hampshire, and Vermont—but also goes into New York and New Jersey. This hospital serves the servicemen and their dependents in that area.

This fine hospital is located in Waltham. It is near Boston, and it is near all those great university units and institutions that we have there. The patients of the Murphy Army Hospital derive the benefit of all the various medical clinics and those specializing in different branches of medicine who are on the staff of the Massachusetts General, Boston City Hospital, Children's Medical Center, Lahey Clinic, New England Medical Center, the Pratt Diagnostic Hospital, and other institutions.

Also, Mr. Chairman, it derives the benefit of the staff of the Harvard Medical College, the Tufts Medical College, and

Boston University.

The bed capacity has already been stated as being 515. So it is a substantial unit. Although it was originally established as a station hospital, over the years it has rendered such excellent service to our men in the armed services and our women in the armed services and their families and dependents that it was made a regional hospital and now is an Army general hospital.

May I say that from January 1 of last year up to the early part of this year—a period of a little over 1 year and 3 months—5,313 patients were admitted, of which 2,200-plus were military and 3,000 were civilian. There were 913 maternity cases and 537 military personnel admitted direct from overseas. In that same period of time there were 5,412 patients discharged, of which 2,347 were military and 3,065 civilians, and of the military patients 69 percent returned to duty.

The average daily patient census is 437. Average beds occupied 320—264 are military and 56 civilian. In the outpatient service there were 59,705 visits, including dental service, X-ray service, laboratory service, occupational and physical therapy, and so forth.

During the past 3 months the admissions have increased sizably over the same 3 months of last year by both military and civilian personnel. The cost of running this institution for last year was \$3,643,986.

There have been too many off-again, on-again crises involving this hospital. More and more it is beginning to look that the Murphy Army Hospital is being used as a pawn in a game, to the increasing dissatisfaction of all veterans,

Nothing less than a firm commitment from the Department of Defense that it will not abandon this facility at this time will satisfy the New England delegation in Congress. We have been disturbed by raids on our industries. Alerted by this, we shall never permit the closing down of installations maintained by the Federal Government here, in order to transfer them elsewhere, under patronage

pressure from other sections of the Na-tion.

Waltham is a heavily populated area of New England that has more than its share of our servicemen and veterans.

It is near Boston, which is the focal point of the Northeastern United States. Many of our veterans are suffering from sicknesses or disabilities that cannot be turned on or off by a directive from the Pentagon. In some cases they may need continuing care for as long as they live.

With this in mind, we want a promise from the Department of Defense that Murphy Army Hospital will be kept in operation as long as it is needed in this area. Furthermore, we want any thought of abandonment ruled out.

Mr. Chairman, I sincerely hope that this amendment offered by the gentleman from Massachusetts [Mr. Donohue] will be adopted so that adequate funds may be appropriated to continue the operation of the Murphy Army Hospital in Massachusetts.

(Mr. LANE asked and was given permission to revise and extend his remarks.)

Mr. O'NEILL. Mr. Chairman, for many months, the members of the Massachusetts delegation have been most active in their efforts to prevent the inactivation of the Murphy General Hospital at Waltham, Mass.

The recent decision of the Department of Defense to close this hospital was a cruel and crushing blow to the more than 700,000 veterans who live in the Commonwealth of Massachusetts alone. It is the only Army hospital in the entire First Army Area, which comprises all six of the New England States, and parts of New York, and New Jersey. The nearest comparable Army hospital is the Valley Forge installation, located at Phoenixville, Pa.

The Murphy Army Hospital is one of the finest medical centers in the United States today. It is composed of 44 individual buildings connected by enclosed corridors. The 1-story height of the buildings which house the patients, affords maximum protection in the event of enemy attack. The hospital was the first Army institution to be accepted for membership by the highly regarded Massachusetts Hospital Association. Its location is ideal, for the reason that it is close to many of the foremost medical schools and hospitals, and thus has access for consultation to the very best of medical and surgical talent which could be made available anywhere. For example, the medical schools include those of Tufts, Harvard, and Boston University. The nearby hospitals are the New England Medical Center, including the Pratt Diagnostic Hospital, the Massachusetts General, the Boston City, the Massachusetts Memorial, the Children's Medical Center, and the well-known Lahev Clinic.

In the period from January 1, 1953, through April 9, 1954, the official records of the Murphy Army Hospital reveal that it admitted directly from overseas 537 military patients. The total number of patients admitted during that period were 5,313 of which 2,258 were military and 3,055 were civilians. In ad-

dition, the Obstetrical Division delivered 913 babies. The hospital cares for from at least 250 to 300 outpatient cases daily of both servicemen and their families. Approximately 35 percent of the patients are from the New England area, the great majority of whom are Korean casualties.

It is imperative that adequate care be provided for the military personnel and their dependents in the New England area. I hope that the membership of the Committee on the Whole will go on record in support of the amendment to provide for the continued operation of the Murphy General Hospital which has been offered by my colleague, the Honorable Harold D. Donohue of Waltham, Mass.

The CHAIRMAN. The Chair recognizes the gentleman from West Virginia [Mr. Neal].

Mr. NEAL. Mr. Chairman, every argument that has been made here this afternoon justifies retaining that hospital in Boston. In the first place, the Government has quite an investment. This is a hospital investment. It can be used for nothing else. Why close it, then, if it is being utilized to three-fourths of its capacity? It is not economical, by any means, to close this institution. Should an emergency come a little later, you will either have to reactivate that institution or spend money elsewhere to provide similar accommodations.

We should utilize the Government operated hospitals that we have all over the country. There is a shortage of hospitals and there is a shortage of private beds everywhere. If you take away the Government-supported hospitals you are only throwing that much more burden on the other privately operated facilities. These, already over crowded, and not able to accommodate civilian needs cannot be expected to serve military personnel.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. Boland].

(Mr. BOLAND asked and was given permission to revise and extend his remarks.)

Mr. BOLAND. Mr. Chairman, I rise in support of the amendment of my colleague from Massachusetts [Mr. Dono-HUE]. Yesterday the Massachusetts delegation in the Congress held a morning and afternoon conference with representatives from the Department of Defense, the Army, the Surgeon General's Office, and delegations from the Federal Employees Veterans Association, the Disabled American Veterans, and a number of other people from veterans organizations in Massachusetts. This conference was arranged to determine why the Murphy General Hospital was to be closed. All of the evidence adduced at this hearing clearly indicated that the proposal of the Defense Department to close this hospital was not justified. We were informed that there was no recommendation from the Surgeon General's Office indicating that this general hospital should be closed. It seems that the Department of Defense instituted the order without giving proper evaluation to the demands that have been made, are being made, and will continue to be made upon the facilities which this institution has offered to servicemen and their dependents in the entire New England area. My colleagues from Massachusetts this afternoon have outlined in precise detail just why Murphy General Hospital should remain open. I will not detain the House in reiterating those arguments. Suffice it to say that the arguments in favor of continuing the operation of this institution far outweigh the decision to close it on the ground of economy. When the military establishments are making daily pleas for volunteers for the armed services, I cannot see how the slashing of fringe benefits to military personnel and their dependents would result in anything but a rejection of volunteer service in our Armed Forces. All of the facts and figures that have been quoted here this afternoon emphatically indicate that this hospital has rendered great service to members of the military and some of their dependents. The area serviced by this hospital includes all of New England, and parts of New York and New Jersey. The elimination of this Army general hospital facility would mean that cases, the like of which have been previously treated at Murphy, would have to seek relief at some other Army general hospital far removed from this locality. This is a burden which should not be placed upon servicemen and their dependents. For these reasons and for the many others that have been pointed out by our congressional delegation, I trust that the amendment of Congressman Donohue will be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. Curtis].

Mr. CURTIS of Massachusetts. Mr. Chairman, I rise in support of the amendment. The Army has announced that it is going to reconsider the closing of the Murphy General Hospital in Waltham, which is adjacent to the district which I am privileged to represent.

The chairman of the subcommittee, the distinguished gentleman from Michigan [Mr. Ford], has told us that the Army can find the money to keep this hospital going, if it ultimately decides to do so. I agree that the Army should be able to find that money from its appropriation, but I am sure that the decision will be easier for it if a little further money is provided by the Congress.

Mr. Chairman, this is one hospital that should be kept open. It is in fine physical condition. It is located in one of the best areas for an Army hospital. It is close to that great medical center to which people come from all over the world for treatment, and I have in mind especially the recent visit of the Foreign Secretary of Great Britain. Nationally known specialists are available as consultants. The hospital has been certified by the American Hospital Association. It should not be closed.

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. McCormack].

Mr. McCORMACK. Mr. Chairman, it seems to me that the evidence is over-

whelming in favor of the amendment offered by the distinguished gentleman from Massachusetts [Mr. Donohue]. The amendment represents the viewpoint of all Members of the Massachusetts delegation. Everyone from Massachusetts is a cosponsor with the gentleman from Massachusetts who offered the amendment, Republicans and Democrats alike.

The gentleman from Michigan says it would take about \$740,000 for maintenance, and this amendment is offered to that section. Well, that is true; but I think the Members should vote for the adoption of the amendment offered by the gentleman from Massachusetts [Mr. Donohue], and then the Senate can allocate it among maintenance and employees when the bill gets over in the other body.

I have here a definite promise made to me by General Armstrong on October 5, 1953, that the Murphy Army Hospital would be kept open as a specialized treatment center. General Armstrong wrote that letter in good faith, and his representative said yesterday there is just as much need today for it as there was when General Armstrong wrote that letter.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania [Mr. Gavin].

(Mr. GAVIN asked and was given permission to revise and extend his remarks.)

Mr. GAVIN. Mr. Chairman, I rise in support of the amendment. This Murphy Army Hospital should be kept open. The Department of Defense since 1950 has made a very determined effort to close this hospital, and they were just as wrong then as they are now. This hospital is of vital importance to that area. I speak after a visit to Murphy Army Hospital, looking over the facilities, talking to the staff, talking to the patients, and talking to the people. There is a need for the continuation of this hospital. We get letters every day from veterans seeking admission to hospitals. The replies are of waiting lists, waiting lists, waiting lists; veterans and others who cannot be admitted for hospitalization. In my opinion to close Murphy Army Hospital at this time would be a tragic mistake.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan [Mr. Forn].

(Mr. FORD asked and was given permission to yield the time allotted to him to Mr. Miller of Maryland.)

The CHAIRMAN. The Chair recognizes the gentleman from Massachusetts [Mr. Donohue].

Mr. DONOHUE. Mr. Chairman, the gentleman from Michigan [Mr. Ford] stated that the hospital is only 75 percent occupied. Well, the record indicates that out of the 510 beds the average daily census is 437, that is certainly more than 75 percent. But, this is still more significant. The record shows that last year 59,705 persons received outpatient treatment. Now, who are those that received this outpatient treatment? They were servicemen, their families and other dependents.

gentleman yield?

Mr. DONOHUE. I yield to the gentle-

man from Michigan.

Mr. FORD. According to the information put in the RECORD by the gentleman from Massachusetts, [Mr. LANE] on page A3069, the average number of beds occupied was 320.

Mr. DONOHUE. But the average daily census is 437 included in that same

record.

Mr. FORD. That is correct, but there is a difference between beds and census. You have 510 beds, and the average daily occupancy is 320.

Mr. DONOHUE. Does not the gentleman think it significant that 59,705 people received outpatient treatment in

the last year?

Mr. FORD. I agree that is quite significant, but that does not warrant keeping open a hospital as large as this one when the bed occupancy is so low.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland

[Mr. MILLER].

(Mr. MILLER of Maryland asked and was given permission to revise and ex-

tend his remarks.)

Mr. MILLER of Maryland. Mr. Chairman, it takes a good deal of courage to rise against the entire Massachusetts delegation here, because they certainly have been eloquent, and added to that, my own fine chairman is a member of that great delegation, not to mention the Speaker and assistant minority leader.

Mr. Chairman, the question that we have before us is purely whether or not this is the time or place to decide on the merits of a very localized matter. Your committee has no judgment as to the need or the lack of need of this particular hospital as compared with 52 other fixed hospital sites in the present programing. There are also 9 infirmaries and 90 dispensaries, all in continental United States, not to mention 40 hospitals, 1 infirmary, and 400 dispensaries

The bill as it is written, has provided all the money to the Army for this purpose that has been sought. It has been made clear that the Army has under consideration perhaps revising its plans. But I can assure the Members of the House that if in this committee we suddenly added money to this bill at this point, we would be making the judgment, not the Army, as to what is best.

We have asked the Army to economize and at the same time to give ample and complete medical attention to all our troops. We are reducing the Army this year. Personnel will be substantially reduced, as has been pointed out. Sitting here as a committee or a subcommittee, if you please, we are not situated to properly decide where these contractions are to be made continentalwise. If the Army wishes to keep this installation, presumably it will do so. If we add this money at this point, it will be mandatory upon the Army to do it.

There is just one other point. There is no possible way that \$3.5 million could be used for the purpose desired by the proponents of the amendment, because only \$740,000 would be required in this

Mr. FORD. Mr. Chairman, will the maintenance operation section of the bill for this hospital. There would still be no money to provide the doctors and nurses and other services that a hospital requires in the appropriate sections of this bill. The result will be that you will have much more than needed for maintenance and operation at Murphy, and no provision for pay for doctors and nurses to staff it.

I suggest, therefore, that it be voted

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from Massachusetts [Mr. Donohue].

The question was taken; and on a division (demanded by Mr. DONOHUE)

there were—ayes 64, noes 59. Mr. FORD. Mr. Chairman, I demand tellers.

Tellers were ordered, and the Chairman appointed as tellers Mr. Donohue and Mr. Ford.

The Committee again divided; and the tellers reported that there were—ayes 93. noes 69.

So the amendment was agreed to. The Clerk read, as follows:

Ships and facilities

For expenses necessary for design, maintenance, operation, and alteration of vessels; maintenance and operation of facilities; procurement of plant equipment, appliances, and machine tools, and installation thereof in public or private plants; procurement of equipment, supplies, special clothing and services; installation, maintenance, and removal of ships' ordnance; lease of facilities and docks; charter and hire of vessels; relief of vessels in distress; maritime salvage services; industrial mobilization; and departmental salaries; \$818,681,000, of which \$15,-675,000 shall be transferred to the appropriation "Coast Guard Operating Expenses, 1955" for the operation of ocean stations.

(Mr. O'NEILL asked and was given permission to extend his remarks following Mr. LANE.)

Mr. TOLLEFSON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I hesitate to ask for and to take this time, but as acting chairman of the Committee on Merchant Marine and Fisheries, I feel that I have some obligation to do so because of certain testimony, which was presented to the committee on yesterday by Admiral Leggett. This morning, and this afternoon, we have heard some fine statements with respect to this bill. I am not one to say it is not a good bill, or that the committee has not done a wonderful job. We have heard talk about what this bill does in the way of providing for our national defense and for our preparedness program. The Army is taken care of, the Navy is taken care of and the Air Force is taken care of. But, I do want to say in connection with the defense program, if all we do in the way of providing for our national defense and preparedness program is to act upon this bill, then we will not have done enough. If that were my own opinion alone, then I would not even bother to take this time, but I do want to call the attention of the committee to a statement made by Admiral Leggett yester-

day before the House Merchant Marine and Fisheries Committee. I shall ask unanimous consent at the appropriate time to insert that statement in the RECORD at this point. I will not read the whole statement here because I do not have the time to do so, but I do want to call your attention to one pertinent statement.

I would like to repeat this statement for the benefit of the committee. At the close of Admiral Leggett's statement. he said:

In closing, I would like to repeat that the Navy is greatly concerned with the plight of the shipbuilding industry, which promises to become the most vulnerable area in our preparedness program.

Let me repeat that:

I would like to repeat that the Navy is greatly concerned with the plight of the ship building industry, which promises to be-come the most vulnerable area in our preparedness program.

He was not talking about Navy shipyards—he was talking about commercial shipyards. He did not say we were vulnerable with respect to airplaines, or guns, or tanks, or warships, or cruisers, or naval shipbuilding. He was talking about commercial or private shipbuilding. That is why I say that if all we do is to approve the pending bill we will not do enough for our preparedness program.

Now, that was not a careless statement on his part, because the committee questioned him. That was a calculated statement on the part of Admiral Leggett, who knew what he was talking about. He made that statement because of the experiences which we had in World War I and World War II. Admiral Leggett told our committee that at the present time or rather as of even last year, there was an immediate deficiency of 214 merchant-type vessels consisting of a certain number of cargo ships and a certain number of tankers. Without going into too great detail, let me tell you what happened in World War I and World War II. On both occasions, the Congress of the United States neglected its merchant marine to the point where it was caught short when World War I and World War II broke out. Now no one can tell how long World War I was prolonged nor how long World War II was prolonged simply because we lacked ships and shipbuilding facilities. But the Army and the Navy and the Air Force are all aware of the fact that we were caught short of ships and I am sure they are aware of the fact that the wars were prolonged at tremendous and inestimable cost in men and materials. It just seems to me that we are coming to the same condition in which we found ourselves in World War I and World War II. My purpose in discussing it now is simply that unless I, or somebody else, does it in connection with a defense program, then the Congress is not going to be too much impressed when we come before you with some ship construction or shipbuilding program because it is not as closely related to the defense program then as when we are discussing this kind of bill, and I mention it only so that I might be able

in some way to impress upon this committee the need for not neglecting our American merchant marine.

The CHAIRMAN. The time of the gentleman from Washington has expired.

(By unanimous consent, Mr. Tollefson was granted 3 additional minutes.)

Mr. TOLLEFSON. Every President I know of from President Wilson to this date, including President Eisenhower, has recognized that the American merchant marine is the fourth arm of our national defense. They have so stated in one statement or another. This Congress has set forth a merchant marine policy, recognizing the fact that our American merchant marine is the fourth arm of our national defense. Admiral Leggett has made it plain in his statement. Admiral King, in 1945, made the same kind of statement, in which he said that the missions of the American Navy during World War II would never have been accomplished had it not been for the American merchant marine. So I say to you, if all we do this year is to appropriate money for the Army, the Navy, the Air Force, and the Marine Corps, we will not have done enough in the way of preparing ourselves for an emer-We need to do something else, and I sincerely trust that when legislation dealing with the subject of our merchant marine comes before the House the Members will give due consideration to it, in light of the need of an American merchant marine in connectoin with our national defense.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield to the gentleman from Iowa.

Mr. GROSS. An excellent place to

start would be to stop this offshore procurement of vessels; would it not?

Mr. TOLLEFSON. I agree with you wholeheartedly. Incidentally, we spent over \$100 million in offshore procurement of vessels the year before last. Last year it was a little less. This year we are down to about \$30 million, and I hope we will not have to spend that money while our own shipyards are closing. In the State of Massachusetts, Quincy's shipyard was ready to close, and the Navy, recognizing the importance of the work it was doing, awarded them a contract.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield.

Mr. WIGGLESWORTH. I want to congratulate the gentleman on the statement he is making dealing with a matter of vital importance to our whole national defense picture. I want to assure him that this committee is fully alive to the gravity of the situation to which he has referred. In this bill we are providing for an increase to the extent of \$322,400,000.

Mr. TOLLEFSON. Of course, I am talking about commercial ships and shipyards, and not Navy ships and yards. We need both.

Mr. DEVEREUX. I would like to call to the attention of the gentleman and the Committee of the Whole that not long ago we had the representatives of the Navy Department, which is the agency for carrying out off-shore procurement as far as shipbuilding is concerned, before our committee, and they assured us that because of their responsibility for maintaining local business for our own yards they would thoroughly reexamine the whole picture and make a strong protest to the National Security Council in connection with keeping our own yards in operation.

The CHAIRMAN. The time of the gentleman from Washington has again expired.

(By unanimous consent, at the request of Mr. Taber, Mr. Tollefson was granted 2 additional minutes.)

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. TOLLEFSON. I yield.

Mr. TABER. In addition to the \$322 million increase in construction of fighting vessels, there was \$50 million additional for starting a new program of MSTS ships that we have never had in previous bills.

Mr. TOLLEFSON. I think the gentleman for that statement.

Let me comment on what the gentleman has said. I noticed in the bill \$50 million for MSTS ships. And the item mentioned by the gentleman from Mas-[Mr. WIGGLESWORTH] but sachusetts, there is nothing in this bill, and properly so, to provide for merchant marine construction. I brought up this subject simply to cal the attention of the House to the importance of the matter. I am not opposed to MSTS, in so far as they maintain only a nucleus fleet. But the Navy itself recognizes that we need a private American merchant marine to carry men and materials to the war fronts.

So I am speaking in behalf of Congress doing something in connection with the private American merchant marine, giving them every possible support, in the interests of our national defense program. I hope that when legislation dealing with the subject I am discussing comes before the House our committee and the legislation will get a sympathetic ear, because it is absolutely essential. The Navy itself recognizes that we have need for a private American merchant marine as an integral part of our national defense. That is clearly indicated by Admiral Leggett's statement.

STATEMENT OF REAR ADM. W. D. LEGGETT, JR., UNITED STATES NAVY, CHIEF OF THE NAVY'S BUREAU OF SHIPS, BEFORE THE MERCHANT MARINE AND FISHERIES COMMITTEE OF THE House of Representatives, April 28, 1954

Mr. Chairman and members of the committee, it is a privilege to appear before you this morning to give you my views on H. R. 8637, a bill to amend title XI of the Merchant Marine Act of 1936.

There is an urgent requirement today for new ship construction, not only to modernize our merchant marine but, of equal importance, to provide critically needed assistance to our private shipbuilding industry. Both are essential to our national security.

Most of the ships in our active merchant fleet are approaching obsolescence. Ninetenths of the dry-cargo ships in the national defense reserve fleet have a design speed of only 11 knots or less. These consist chiefly of about 1,400 Liberty ships, built under wartime conditions, and obsolete when their keels were laid.

The reserve fleet is also deficient in large oceangoing tankers and troopships of adequate speed.

Last summer the Department of Defense, during the course of a congressional hearing, went on record as to an immediate deficiency of 214 merchant-type vessels, consisting of 165 cargo ships, 6 large passenger ships, and 43 large tankers.

Correction of these deficiencies would not only strengthen the national defense, but would also revive the distressed private shipbuilding industry. This industry cannot be maintained by naval shipbuilding programs alone. It must also have the support of a healthy merchant marine.

As Coordinator of Shipbuilding, Conversion, and Repair for the Department of Defense, I have certain responsibilities for mobilization planning, for procurement of ships for defense purposes, and for coordinating repairs and conversions within the United States. I have a primary and continuing interest, therefore, in the maintenance of an adequate defense nucleus of operating shipyards which can be expanded, if necessary, to meet the sudden demands of a full-scale

The situation today in our private ship-yards is so critical that I have grave concern whether the industry can meet mobili-

zation production schedules.

You will recall that at the outset of both world wars, we had a year or two to recruit and train shipyard personnel, expand our facilities, and start building up our merchant Even with this notice, our output marine. of new ships barely managed to catch up with the serious losses we were encountering. In fact, most of our ship construction became available near the end or even after the termination of hostilities.

Our present situation is often compared to 1939. I believe this to be somewhat mis-leading. The situation now confronting us with regard to the shipbuilding industry is more like 1941 than 1939, in the sense that we cannot count on a prolonged period for mobilizing needed skills and facilities.

It is apparent that the industry is not prepared today to meet initial wartime requirements. Our private yards now have about 118,000 employees, less than one-third of the total in December 1941. They have only about 29 large oceangoing merchant ships under construction, a small fraction of the work under way in 1941. All of these 29, except 3, are scheduled for completion this

In order to improve the economic health of the industry, the Navy, for the past several years, has been awarding most of its shipbuilding to private industry. During fiscal 1954, all new naval construction is going to private yards. Up to the present, we have been reasonably successful in helping to maintain, through normal competition, fairly broad base of operating yards widely dispersed throughout our coastal areas.

With regard to repair work, the Navy, last year, began awarding the overhauls of most active fleet auxiliaries, together with selected combatant ships, to private yards. Previously, these yards had been regularly receiving repairs to service craft, overhauls of reserve fleet ships and similar work. During the past 21/2 years, the Navy has awarded repair and overhaul work having a dollar value of approximately \$271 million to private

I regret to say, however, that this additional Navy work has not stabilized privateyard employment which, in the last several months, has declined by another 3,000. A further drastic reduction is expected later on this year, as the privately owned and mariner construction now on the ways is completed.

This will result in an increase in the proportion of employees engaged in Navy work to total private yard employment. Unless to total private yard employment. new work is forthcoming, the Navy will thus find itself in the unenviable position of being

the industry's principal support.

I am particularly concerned with the fact that highly skilled design and production personnel are rapidly being dispersed among other industries which can provide more stable employment. We may not have time, in the event of another emergency, to either recruit or train new workers.

The Merchant Marine Act of 1936 was enacted to foster the development and to encourage the maintenance of a merchant fleet capable of serving our needs in peace or in war. It was intended to provide adequate incentives for a continuing merchant ship program. This objective is not, at present, being attained.

Based upon our analysis of workload needs of the industry, it would appear that the shipbuilding potential of our country must be supported by some interim emergency program. It is not my responsibility to recommend what such a program should be. To provide a minimum sustaining workload for the industry, however, it should consist of at least 20 ships annually and start at the earliest possible time. It would not, in any sense, be a permanent solution to our problem. It would, however, keep a number of yards from closing in the next year.

The only permanent solution is, of course, to provide greater incentives to commercial operators to place orders for new merchant ships on a continuing basis. There are a number of legislative proposals now before the Congress which may help to accomplish

this purpose,

I am authorized to say that the Department of Defense supports H. R. 8637 in principle. The Department is in accord with the purpose of the bill which is to stimulate new ship construction. More modern and improved types of ships may be brought into being and the industry may be greatly benefited. These are worthwhile objectives, While certain revisions may be desirable, the Department considers that specific comment on detailed provisions of the bill is primarily within the jurisdiction of other Government agencies. I am informed that the Bureau of the Budget has not yet formulated its position on the bill.

In closing, I would like to repeat that the Navy is gravely concerned with the plight of the shipbuilding industry which promises to become the most vulnerable area in our preparedness program.

preparedness program.

Conditions have seriously deteriorated since 1952 when shipbuilding was in effect declared a distressed industry. Many firms are today faced with the prospect of closing up, unless new work is forthcoming. The Navy will continue to do what it can to ease the situation. However, it is certain that the Navy's annual construction programs cannot alone support a mobilization base of operating shipyards capable of the expansion necessary to build a wartime merchant marine.

I wish to thank you, Mr. Chairman, and members of the committee, for inviting me to testify on this important subject,

(Mr. GRANAHAN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. GRANAHAN. Mr. Chairman, in a bill making possible the expenditure in the coming fiscal year of about \$70 billion by the agencies of the Department of Defense, this figure representing \$28 billion in the current bill and about \$48 billion of unexpended balance from previous authorization, the Congress cannot very well specify where each of those dollars should be spent, and this bill gives us no opportunity to do so, even if we were so inclined. Of necessity, we must rely on the Defense Establishment,

and on the President and his advisers to set the policy for the use of defense funds and facilities. When they use bad judgment in this respect, we can protest, but there is, as I said, no opportunity here to force them to change that policy through this appropriation bill.

DISCRIMINATION AGAINST NAVAL SHIPYARDS

Nevertheless, I want to point out to the House that the Navy Department is following now and intends to follow in the coming year a shortsighted, discriminatory policy against our Governmentowned naval shipyards which is grossly unfair to the loyal and faithful employees of those yards and is unfair, also, to the economies of Philadelphia and other sites of naval shipyards.

The policy under this administration is to channel virtually all naval construction away from Government-owned shipyards and to private enterprise. I am referring now not to merchant ships—not to standardized commercial vessels—but to tailor-made, fighting ships—ships which the naval yards over generations have specialized in and concentrated on and fabricated with great skill and economy.

Private shipyards admittedly are in bad financial shape at the moment because of the almost complete cessation of merchant ship construction. I thoroughly agree with the idea of helping these yards to stay in busines as an important part of our mobilization base for defense preparation. But the way that should be done is to take the necessary steps to stimulate and rejuvenate the merchant shipping construction program—to modernize our merchant fleet, get the newer cargo and passenger vessels built and operating. This administration has done absolutely nothing in that regard.

SHARING THE SHIP-CONSTRUCTION POVERTY

Instead, it has taken the ridiculous step of sharing-the-poverty in the ship construction field by virtually closing down the Government-owned shipyards and giving what naval ship construction jobs there are almost exclusively to private enterprise. The 30 new ships of all classes which are to be built in the 1955 Navy construction program cannot fully employ all the private shipyards in the country—they can help a few which might be engaged on some of the larger combat ships but the program will mean crumbs or nothing at all for other yards.

Yet in order to give out these crumbs to private enterprise—to a few among the private yards—the Navy will deprive its own shipyards of any important combat ship construction work. And it will thus pay much more for the work. I say that is not only shortsighted and discriminatory but completely unrealistic.

In the Philadelphia Navy Yard, employment has already been cut by thousands of men due to the Navy's discriminatory policy against its own installations and own employees. These thousands laid off, mind you, receive no unemployment compensation—they are not eligible for it. They are just turned loose with a "sorry, boys" with no consideration and no concern for the outstanding work they have done to help

build up our Navy's strength. The same thing is happening in Brooklyn, and Norfolk on the east coast, and I assume at Long Beach, San Francisco, and Puget Sound.

These dismissed workers, as I said, are highly skilled in the production of fighting craft for the Navy. They have made careers of that. They are good at it, The Government has a tremendous investment in their skills and know-how, yet now, under the antinaval yard policy of this administration in throwing ship construction work to private enterprise. this valuable investment is thrown away. The Government yards, of course, are wholly dependent upon Navy work; they cannot compete, as the private yards can, for other types of work, and of course they should not. But under the policy of this administration. the workers in the naval yards are out and if there is no similar work in the area to provide jobs for them in their skills, they are completely on the rocks. As I said, they do not even qualify for unemployment compensation.

PHILADELPHIA YARD SHOULD GET PROPOSED
ATOMIC SUBMARINE JOB

In this connection, I have spent many hours of effort, along with others from Philadelphia, in seeking to persuade the Navy to build in the Philadelphia yard the proposed atomic submarine projected for this coming year. There is no doubt that it can be built there—and built efficiently and well. The Navy concedes that. But so far we have received no commitment, no promise, no assurance. And the philosophy of the Navy as expounded by its top civilian officials in the Appropriations hearings makes clear that the Navy's proprivate enterprise stand makes our success somewhat doubtful.

Philadelphia businessmen—many of whom contributed quite handsomely to the Republican campaign funds in 1952—feel, as I do, that there is no economic or moral or political justification for discriminating against the Government-owned shipyards, particularly when it costs the Government a whole lot more in special subsidies to build the same ship outside a Government yard. In all fairness, then, we urge that this discrimination stop, and that the Philadelphia naval yard be assigned sufficient work to employ its men and facilities.

Mr. GROSS. Mr. Chairman, I rise in opposition to the pro forma amendment.

(Mr. GROSS asked and was given permission to revise and extend his remarks.)

Mr. GROSS. Mr. Chairman, yesterday during general debate I asked members of the committee a few questions about the amount of off-shore procurement and foreign aid in this bill, pointing out at the same time that the Army bought last year, principally from Denmark, nearly 5½ million pounds of butter. Some Members of the House seemed to doubt that the Army had bought that much butter overseas.

I have with me today a letter signed by H. M. Montgomery, lieutenant colonel, Liaison Division, Department of the

Army, dated April 1, 1954. Let me read you an excerpt or two from this letter:

The Secretary of the Army has asked me to reply to your recent letter to the Secretary of Defense concerning the use of milk and butter by the Armed Forces. the calendar year 1953 approximately 5,344,-000 pounds of butter were purchased from overseas sources, principally Denmark, for use by the Far East Command.

Not in Europe-by the Far East Command.

Why did they buy this butter? I quote from the letter:

Consideration of the foreign-relations aspect of this question as presented to the Department of the Army by both the Department of Defense and the Department of State led, however, to the conclusion that it would not be desirable to vary from the long-continued practice of purchasing some of the butter for use overseas from overseas sources where it is readily available.

While the off-shore purchases of butter have represented relatively small portions of the production of the country involved, these countries have considered them to be of appreciable significance from the viewpoint of securing United States dollars.

Again we sacrifice the American farmer, American labor and industry to the dictation of the State Department and so-called foreign policy.

Now, what have you provided in this bill? And you wisely provided the same thing in last year's bill. Section 733 on page 47 of the present bill reads as follows:

SEC. 733. No part of any appropriation contained in this act shall be available for the procurement of any article of food, clothing, cotton or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles) not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing or any form of cotton or wool grown, reprocessed, reused, or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters and emergency-

And this bill and the law goes on to state-

That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions.

Under the terms of the provision which you have wisely put into law previously, I say to you that the State Department and the Department of Defense have violated the clear intent of Congress, if not deliberately violated the law in purchasing in one item alone, almost 5½ million pounds of butter from Denmark.

I should like to ask the committee: What do you propose to do to see that the agencies of government conform to the law? When you bring here to the floor of the House a bill and we enact it into law, it represents the intent and the will of the Congress. What do you propose to do to see that this law is enforced? Does any member of the committee want to answer the question? Somewhere,

somebody ought to enforce the laws that this Congress passes.

Mr. FORD. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Michigan.

Mr. FORD. Does the gentleman know how much of this purchase he has referred to was financed under this bill and how much was financed under appropriations for foreign-aid purposes?

Mr. GROSS. I only know that the Department of Defense admits it bought almost 51/2 million pounds of butter from Denmark. That is one instance alone. The Lord only knows how much more they bought.

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(On request of Mr. Gross, and by unanimous consent, he was allowed to proceed for 2 additional minutes.)

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Massachusetts.

Mr. WIGGLESWORTH. The matter that the gentleman from Iowa refers to is very important and is one that should be looked into. It is possible that the purchases could have been largely or partly covered by foreign-aid funds as distinguished from the funds carried in this bill with the so-called Buy American provision.

Mr. GROSS. If foreign-aid funds had been used, I am sure the letter from the Secretary of Defense or his representa-

tive, would have so stated.

Mr. WIGGLESWORTH. I think the gentleman from Michigan [Mr. Ford], has some information in this connection.

Mr. FORD. I would prefer to take some time at the conclusion of the gentleman's statement to give additional facts which may be helpful.

Mr. GROSS. I certainly would be glad to have them.

Mr. FORD. Mr. Chairman, I move to strike out the requisite number of words.

Mr. Chairman, information has been submitted to the committee showing the actual purchases in calendar 1952, 1953, and 1954. In 1952 the offshore purchases of butter for troop consumption were 8,195,030 pounds. The average price per pound on the offshore procurements was 471/2 cents. The average price per pound of continental United States purchases was 74-plus cents per pound.

Mr. GROSS. Was that the retail or wholesale price of butter?

Mr. FORD. This is the price that the Army paid for butter. The 2 prices quoted include 1 for offshore and 1 for continental United States. It should be added, in addition, that the price paid within the continental limits must have the added factor of transportation costs when it is shipped overseas.

In 1953 the purchases were 8,300,000 pounds. The average price per pound, offshore procurement, 50 cents. The average price per pound of continental United States purchases, 68 cents.

In 1954 the total purchases under offshore procurement were 6,300,000 pounds. The estimated price for off-

shore procurement, 50 cents. The estimated price per pound, continental United States, 56 cents per pound.

Mr. Chairman, that brings up one further fact. I have also checked to find out where the Army purchased butter in 1954 and the previous years. For the first time in 1954 the Army purchased butter from the Commodity Credit Corporation. In fact, in 1954, I understand that they purchased 21 million pounds at a price of 15 cents per pound. The other butter purchases in continental United States in 1954 totaled 9,466,000 pounds. It was purchased at a price of 67 cents per pound. When you combine the 67 cents per pound purchased on the open market in the United States and the 15 cents per pound—the figure at which they bought from CCC-that explains why in 1954 the price paid in continental United States is down to 56 cents, more nearly comparable to overseas price.

Mr. GROSS. Well, now, is the gentleman condoning the purchase of butter in Europe and shipping it all the way to Asia for our military forces?

Mr. FORD. From the facts given me by the gentleman, I think the Department was in error. I will concur in his observations, based on the facts as related by the gentleman from Iowa.

Mr. GROSS. If we are going to purchase products in Europe or anywhere else in a foreign country simply because they are cheaper than they are in the United States, we will be doing a pretty good job of wrecking the economy of this country if we carry it far enough. Is that not true?

Mr. FORD. I think under certain circumstances this country, if it has forces in other areas of the world for various reasons, must make purchases in those countries or in areas surrounding a particular country. I do not, from the facts that the gentleman from Iowa has given me, condone what was done in the purchase of butter in Denmark for the Far East. I repeat, nevertheless, I think the Army is doing the right thing as it did in 1954 in purchasing far greater supplies of butter from the Commodity Credit Corporation at a price of 15 cents per pound.

Mr. MASON. Who paid that price, the Commodity Credit Corporation? It was bought in the first place by the Commodity Credit Corporation, and whatever they lost came out of the same taxpavers.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. FORD. I yield to the gentleman from Texas.

Mr. MAHON. Of course, the inference of the statement of the gentleman from Michigan is that no offshore butter was purchased for use in the United States. All of the offshore butter was used outside the United States.

Mr. FORD. That is absolutely correct.

Mr. MAHON. Is it not true that Denmark, from which country about 84 percent of the butter was purchased, is a country which has provided the United States with those highly critical and vital bases in Greenland? I wish to share

in the views expressed by the gentleman from Michigan that we certainly should not neglect the domestic producer or the American taxpayer, but I do think there is some excuse for the procurement of butter for European troops from our friends in Denmark under certain circumstances. I cannot see any excuse for sending it from Denmark to the Far East, and certainly a very minimum amount was used in that way.

The Clerk read as follows:

Shipbuilding and conversion

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament therefor, plant equipment, appliances, and machine tools, and installation thereof in public or private plants; designs for vessels to be constructed or converted in the future; and departmental salaries necessary for the purposes of this appropriation; \$1,042,400,000, to remain available until expended: Provided, That the total of obligations incurred under the heads "Shipbuilding and conversion" and "Ordnance for shipbuilding and conversion", 55 including those incurred against reimbursements credited to these appropriations pursuant to section 403 (b) of the Mutual De-fense Assistance Act of 1949, as amended (22 U. S. C. 1574 (b)), shall not exceed \$4,370,504,000.

Mr. SHELLEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I would like to address a question to members of the committee with reference to language on page 17, line 13, "maritime salvage services," and ask what that covers.

By way of explanation, I will say to whatever member of the committee will answer my query that a situation on the Pacific coast was recently called to my attention, where the Navy maintains in San Pedro a salvage tug named Gear, which understandably could be maintained and based there for salvage operations of naval vessels. However, I am advised that the Navy leases that tug out on bid to private steamship companies when one of their vessels goes on the beach or goes on the rocks and the bids submitted by private salvage operators do not satisfy the shipowner whose vessel is on the rocks.

I was advised of 3 instances in the past 8 months. In one a British ship burned off the coast of Mexico, for which private salvage companies on the Pacific coast made bids to go to her assistance. In 2 other cases, American vessels, privately owned and privately operated, went on the rocks off the Pacific coast. The private companies made bids when called upon by the operators, and they were later informed, within a matter of hours, that another salvage tug would be used. The Navy tug Gear, maintained by the taxpayers of the United States for salvage work on naval vessels, was used, and the price was lower than that bid by the private operators, and in the two latter instances the private tug companies and salvage companies had to be subsequently called in because the naval vessel was unable to complete the salvage work.

Now, I want to know if it is the province of the Navy to maintain a salvage vessel which will compete with old es-

tablished marine salvage firms operating on the Pacific coast in the salvage of private maritime vessels.

Mr. WIGGLESWORTH. I would say to the gentleman from California [Mr. SHELLEY! that that is not my understanding. I understand, however, that the gentleman's colleague from California [Mr. Sheppard] has looked into this particular question to which he refers and I suggest that he yield to him on the matter.

Mr. SHELLEY. I yield to the gentleman from California [Mr. SHEPPARD].

Mr. SHEPPARD. Mr. Chairman, this is a part of the bill that has reoccurred over a period of many years, so far as appropriation bills are concerned. I can assure both my chairman and the gentleman from California [Mr. SHELLEY] who has directed the inquiry that it never was the intent of Congress in any way to do as he suggests; that is, for the Navy to go into a competitive status with private business. Their salvage operations originally were intended to take care of Government ships that were to be salvaged and only limited assistance was to be given to commercial companies in that category, in case of an emergency. But at no time were they to go into a competitive status with private concerns as a business. That was not the intent or the understanding of the Congress and if they are operating in such way, that matter should certainly be looked into by the committee. With the permission of the chairman I should like to say that I think we should discuss this matter with the Bureau of Ships.

Mr. WIGGLESWORTH. I agree with the gentleman.

Mr. SHELLEY. I think the statement made is satisfactory and I thank the gentleman of the committee. I may say that I certainly would be glad to hold myself ready to discuss this matter further with the committee, because it is a matter that the committee should look into, to see that the policy, as expressed by my colleague, the gentleman from California [Mr. SHEPPARD] is carried out by the Navy Department as the policy of the Congress.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 721. Notwithstanding any other provision of law, Executive order, or regulation, no part of the appropriations in this act shall be available for any expenses of operating air-craft under the jurisdiction of the Armed Forces for the purpose of proficiency flying except in accordance with regulations issued by the Secretaries of the departments concerned and approved by the Secretary of Defense which shall establish proficiency standards and maximum and minimum flying hours for this purpose, but not to exceed 100 hours during the fiscal year: Provided, That during the fiscal year, without regard to any provision of law or Executive order prescribing minimum flight requirements, such regulations may provide for the pay-ment of flight pay at the rates prescribed in section 204 (b) of the Career Compensation Act of 1949 (63 Stat. 802) to certain officers of the Armed Forces otherwise entitled to receive flight pay (1) who have held aeronautical ratings or designations for not less than 20 years, or (2) whose particular assignment outside the United States makes it impractical to participate in regular aerial flights.

Mr. WILLIAMS of Mississippi, Mr. Chairman, I offer an amendment.
The Clerk read the amendment as

Amendment offered by Mr. WILLIAMS of Mississippl: On page 44, line 2, strike out all after the word "purpose," through and including all of line 3 to the colon.

Mr. WILLIAMS of Mississippi. Mr. Chairman, it will take some time to explain the import of this amendment. Therefore, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

Mr. WILLIAMS of Mississippi. Mr. Chairman, at the outset let me say that I think the committee has done a splendid job. I have nothing but praise for the committee's product, because I am convinced they have given us a maximum of military security at the least possible cost.

However, there is language, in the form of a limitation in this bill, which I seek to strike by this amendment, and which has given me personally a great deal of concern. I know that my concern is shared by every other Member of this House who has had personal experience in the operation of military aircraft. I am sure that this opinion is shared by every man who now serves as a flying officer in the United States Air Force. in the Marine Corps, in the Navy, or in any other flying arm of our service.

I think I know what the committee was intending to do by placing a limitation of 100 hours annually on the amount of flying time that any pilot not in an operational unit could use. The committee was seeking to eliminate abuses by so-called desk pilots in checking out military airplanes to use for weekend vacations at the expense of the United States. I agree with them 100 percent in their desire to stop these practices.

I would be the first to admit—as a veteran of the United States Air Forcethat we have, unfortunately, men of that type who are rated pilots and who do take undue advantage of their Air Force privileges. On the other hand, Mr. Chairman, we also have a large number of young pilots, active pilots, who have been asisgned to the Pentagon and other places over the country, to desk jobs, for tours of duty ranging anywhere from 6 months to 2 or 3 years, who will feel the effects of this limitation of 100 hours annually and who, when sent back to full flying status with an operational unit, will be so rusty as to become dangerous pilots.

I am not basing my opinion solely on my limited personal experiences, although my experience as a military pilot during World War II might render me to some degree qualified to know whereof I speak. However, on the day before yesterday I contacted by wire the 2 men in the United States whom I consider to be the best qualified in the world, perhaps, to determine whether 100 hours annually is sufficient time to maintain proficiency for a military pilot. I sent one to Capt. Eddie Rickenbacker, president of Eastern Air Lines, New Surely no one would question his qualifications. It reads as follows:

Defense appropriations bill scheduled for House consideration tomorrow contains provision limiting proficiency flying to 100 hours per year for military pilots not assigned to operational units. Would appreciate your operational units. views regarding minimum flying time required per year to maintain proficiency for airline pilots, also any comment or observations you may care to express relating to aforementioned limitation on military proficiency flying.

This morning I received the following reply from Captain Rickenbacker:

NEW YORK, N. Y., April 29, 1954. Hon, John Bell Williams,

House of Representatives: Airline pilots could maintain proficiency if they averaged 10 hours of flight time during month provided a maximum number of landings and takeoffs were accomplished during night and day conditions and continual review of instrument procedures were accomplished during flight. In my opinion military flight crews not assigned to opera-tional combat units in order to maintain flying proficiency in the high performance aircraft of today would require at least twice that amount providing this flight time was accomplished in equal monthly amounts further that instrument procedures received maximum attention and a maximum number of landings and takeoffs were accomplished under day and night conditions. EDDIE RICKENBACKER.

That is Captain Rickenbacker's studied opinion-that a minimum of 240 hours a year would be needed to main-

tain proficiency.

I wired Gen. James A. Doolittle also. I did not ask him about the airline-pilot situation because I understand he is not connected with an airline, but is employed with Shell Petroleum Co. But I did wire him for his opinon with respect to the 100-hour proficiency flying restriction imposed upon certain flying officers in this bill. General Doolittle did not reply by wire, but he did call me on the telephone yesterday afternoon during a stopover in Washington, and he gave me permission to quote him. I cannot quote him verbatim-I do not monitor telephone calls in my office-but I can quote the meaning of what he said. He said that in his opinion 100 hours is insufficient to maintain proficiency. He cited in proof of that his own case: "For 30 years," General Doolittle said, "I flew an average of an hour or more a day. When I took my present job, and my business duties began to consume so much of my time that I found I could not average more than 300 hours a year, I quit flying."

If a flier like General Doolittle, with all of his skill and experience, reaches the point where he feels he must have 300 hours a year to maintain minimum proficiency, think what we would be doing to those young fliers not in operational units by limiting them to 100 hours a year; and then 2 or 3 years later shipping them overseas to fly B-47's and 36's. No; this is not a question of economy, although that is the stated purpose of this limitation. What price economy as against the shedding of

American blood?

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

WILLIAMS of Mississippi. I

Mr. TEAGUE. It seems there is another very important point in this connection which was brought out in the hearing. The gentleman from Kansas [Mr. Scrivner] asked the question:

Is there any difference in the accident rates as they relate to proficiency flying and as they relate to operational flying generally

The answer was:

In 1953 a comprehensive study of the relation of duty assignment to pilot accident rates was completed. * * *

It was determined by that study that the pilots whose duty assignments are other than flying have an accident rate double that of pilots assigned to flying jobs, and that this difference in accident rates could be accounted for only by the differences in the amount of flying performed by each category.

Mr. WILLIAMS of Mississippi. I thank the gentleman for quoting from that report. I do not think anyone in this Chamber could take issue with what it savs.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. vield.

Mr. POFF. As a former flyer myself, I want to concur most heartily with the position taken by the gentleman and I shall support his amendment. May I ask the gentleman rhetorically: how many landings and takeoffs could he shoot in a B-29 in two hours a week?

Mr. WILLIAMS of Mississippi. my good friend, the gentleman from Virginia, knows, one takeoff and landing would probably consume a 2-hour flight in that type plane. Surely you couldn't shot more than 2 in 2 hours. I am sure of that, although I have never flown one. The average flight of a B-29 is, I understand, even in training runs, some 8 to 10

I agree completely with the committee in what they are seeking to do here, and I am sure every other Member of the House does, but I am equally sure this is a matter which cannot be handled by the method of placing an arbitrary limitation in an appropriation bill. It can only be handled administratively, and my amendment leaves the language in the bill which permits that.

I admit, readily, that the Air Force has been lax in policing this kind of thing; but if our Air Force leadership, under the Secretary of Defense, will avail themselves of the authority granted to them under this section, there will be no need for an arbitrary limitation being placed in this bill. That can be handled administratively, and that is the only way it can be handled properly. If you will read section 721 of the bill, you will see that the machinery is provided for doing this administratively, without the 100-hour limitation.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(By unanimous consent, at the request of Mr. Holt, Mr. Williams of Mississippi was granted 2 additional minutes.)

Mr. WILLIAMS of Mississippi. I am sure you will be told by opponents of this amendment that there are ways of getting around this 100-hour limitation. If that is true, then why keep it in the bill? Why not be honest with ourselves and put the burden of responsibility where it belongs; that is, on our military leaders, and eliminate the obvious dangers which are inherent in this 100-hour limitation?

I wish I had more time in which to discuss the hearings on this provision. If you read the hearings, though, you will find that the Defense Department sent Mr. White, Under Secretary for Air. over here with instructions to support and recommend this 100-hour limitation.

You will also find, if you will read the hearings, that Mr. White then proceeded to make a perfect case against it.

Mr. POFF. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi, I vield.

Mr. POFF. Is it not the responsibility of those in power to enforce that limi-

Mr. WILLIAMS of Mississippi. Of course it is. I do not think it is wise for Congress to try to decide matters of this kind; this should be left to administrative determination based on expert opinions.

Mr. PATTEN. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS of Mississippi. I vield.

Mr. PATTEN. I agree wholeheartedly with the gentleman and that the 100hour limitation is false economy.

(Mr. PATTEN asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PATTEN. Mr. Chairman, the appropriations bill for the fiscal year 1955 budget has been reported out of committee, and it is the same old story of further reductions in the Air Force budget.

The President had recommended a budget of only \$11.2 billion, which was modest, indeed, and under the budget of \$11.4 billion appropriated last year. My colleagues will recall that last year there was considerable attack on the Air Force and even the integrity of Air Force planners. I recall some remarks of one of my distinguished colleagues to the effect that recurring signs of spring were the daffodils, cherry blossoms around the Tidal Basin, and a frenzied plea-on the part of Air Force leadersfor additional funds for a larger Air

The implication of my colleague's remarks was that certainly it was nothing to get excited about, that the Air Force wanted more wings and more funds for its augmented structure. So only \$11.4 billion was appropriated. It was less by \$1.4 billion than was appropriated for the Army and only \$1.9 billion more than was appropriated for the Navy. For the Air Force of the world's leading nation in the fight against aggressive communism, in the age of airpower and atomic power, it was certainly a modest budget—in no sense a generous one.

This year the administration was supposedly airpower minded. In his budget

message the President told us that the fiscal year 1955 budget points toward the creation, maintenance, and full exploitation of modern airpower; and the Vice President has repeatedly stated that the administration's program of national security is based on the principle of massive retaliatory power—which means the power of our atom-bomb carrying, intercontinental bombers. But even favorably disposed as it is this year to the Air Force, the administration asked for only \$11.2 billion, less, as I said, than was appropriated last year, and a very little more than was asked for for the Army or the Navy.

In an effort to correct a mistake of last year, in which the American people were told that the Air Force did not need to have 143 wings, we were told this year that we would have 137 wings—but that because of new developments in aircraft, and for other reasons, the 137 wings would have the combat strength of the 143-wing program that had been discarded. It was an attempt to reassure the American people that the present administration really is air-minded, in spite of the scuttling of the 143-wing Air Force program in the first session of the 83d Congress.

Well, the budget is out of committeeand the Air Force budget has been reduced again-this time to \$10.8 billion, which is \$6 million under what was appropriated last year—the year the Air Force was out of favor. If the administration really came out for an Air Force, saving we had to have the best in the world, I shudder to think what would happen. The appropriations would go down even more. I well remember that the brilliant junior Senator from Georgia remarked last year, that if a budget cut of \$5 billion would bring us greater security, why not a budget cut of \$10 billion, to make that security absolutely secure? This year we are certainly moving in the direction of such reverse thinking.

Analyzing the budget recommendations, I find that the amount recommended for aircraft procurement has not been touched—certainly a mark of caution on the part of the budget butchermen. It takes time to design, develop, and procure aircraft, as they perfectly well know. You don't turn out aircraft simply by turning on the faucet; you have to prime the pump. Last year we had some hope of speeding up procurement through use of the Air Force's heavy press program. That program got scuttled too. But, let us be grateful for small favors. The funds for aircraft procurement have not been cut in this year's budget.

What has been cut is everything elseincluding funds for research and development. I recall that last year the Secretary of Defense accused the Air Force
of a research project to discover why
potatoes turn brown. The scientists of
the Nation jumped on him about that
one. The answer to why potatoes turn
brown is expected to give the clue to
some important discoveries connected
with food preservation and, therefore,
with the Air Force's program for escape
and survival of personnel. But the Secrefary's prejudice against research

seems to have affected the budget axwielders as well.

Funds for research and development have been reduced \$21 million. That is almost 5 percent. I should think funds for this essential purpose might well have been increased 5 percent. Research and Development gave us the jet engine-sometime after the Germans had developed one; today's guided missile-10 years after the Germans used guided missiles to devastate the Belgian seaports; and the hydrogen bomb-just a few months ahead of the Russians. Our research scientists are men of the highest capability; their training is of the best, and our resources are unlimited. If we have so far been able to do no better than merely keep ahead of our enemies, and sometimes even lag behind, is not it time we appropriate more, rather than less, for the research and development function?

Funds for maintenance and operations are cut approximately 7 percent—but because the function is tremendous, this reading accounts for the largest single item in the budget—almost a third greater than funds for aircraft procurement, and a quarter billion dollars greater than the funds for military personnel requirements. Aircraft do not remain operational unless they are maintained; aircraft are useless unless they are used.

How they are used today, and how they may be used, is causing grave concern not only in the Congress but throughout the Nation. There is a strange foreign name, already become familiar in the United States, that tells something of that use-the name is Dien Bien Phu. We are not at war in Indochina, but the future of democracy is at stake there, and even as I am speaking American aircraft are operating for the succor of that outpost. Secretary of Defense Wilson says such assistance as we are giving the French will not involve us in war. A president of the same name once made similar remarks, the reversal of which is a matter of history. This seems a strange time to reduce the funds for the maintenance and operation of our aircraft. Aircraft get lost when they get too close to anti-aircraft artillery; they also operate more in time of conflict than in peace, and require greater maintenance. A 7-percent cut in funds for this function hardly gibes with national policy of assistance to the democratic forces beleagured at Dien Bien Phu. Such a cut is like writing off Indochina, as we once did Korea-outside the perimeter of our in-

Since I have given percentages, I shall continue. Major procurement of other than aircraft has been cut 8 percent—certainly a high percentage. I do not know on what basis this cut was made, or why this particular percentage. It seems consistent, however, with the other cuts.

brown is expected to give the clue to some important discoveries connected with food preservation and, therefore, with the Air Force's program for escape and survival of personnel. But the Secaret retary's prejudice against research illeges too much already. An election

year is no time to cut appropriations for personnel any further. A cut of \$21 million is window dressing, and a cut that hurts. But it is not consistent with other cuts in the budget—for which I am grateful.

The overall percentage is 3.4-a 3.4 percent cut in America's security. Air Force leaders make stirring speeches about the power of our Air Force. I wonder if they really believe all they say. How powerful will that Air Force be when the budget is whittled down every year-3.4 percent this year, 3.4 percent again next year, unless there is a real change of heart about the Air Force and real acceptance of the facts of airpower and atomic power. We are told we will have the 137-wing Air Force by mid-1957. Cuts in funds for the program do not encourage belief in the achievement of the goal.

Mr. Chairman, a very proper question is how much have funds for the other services been reduced. The answer is interesting. Funds for the Army have been cut 7.2 percent, and of this we shall hear more undoubtedly. The Army has some vigorous spokesmen. But funds for the Navy have been cut only 2.2 percent. So here we are again, just where we were last year, in spite of all the honeyed words of reconciliation, apology, and explanation. Up Navy, down Air Force. Keep the traditional service and traditional service and strengthen it. Let the airpower get the lean of the budget while seapower gets the fat. Ignore the facts of atomic and hydrogen bombs. Forget commitments to the NATO allies, promises of aid to Indochina, and all the other functions that require a strengthened and enlarged Air Force. Lull the leaders of the Air Force into belief that what they have worked for, what they are willing to die for, what they know-and this Congress knows-the country must have, it will have-then dash those hopes; undo the good that has been done, and cut the budget.

Yes, spring has come again to Washington—but the signs are not only the cherry blossoms—now faded—and pleas for an augmented Air Force—largely ignored this year and evaded. A sure sign of spring in Washington is a cut in the Air Force budget. That cut has now been made.

The outlook for the summer is gloomy indeed—and news from Indochina only increases the gloom.

Mr. PRICE. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I would like to commend wholeheartedly the presentation of the gentleman from Mississippi [Mr. Williams], and urge my colleagues to support his amendment.

I would also like to mention to the House that the gentleman who has just preceded me, Mr. Williams of Mississippi, observes today the 10th anniversary of his discharge from the Air Force. It was 10 years ago that our colleague from Mississippi was separated from the Air Force, where he had a very commendable and honorable record as a pilot.

As the gentleman from Mississippi [Mr. Williams] stated, this is a subject

which can be and should be handled administratively by the Air Force. I appreciate the concern of the committee in regard to this matter. I know it is directed toward abuses in the proficiencyflying requirement. We all know there have been abuses in connection with proficiency flying, and the committee is to be commended for being concerned about those abuses. As a result of the interest of the subcommittee in this matter, many of the abuses over the past years have been corrected. A few of them remain today. Those that do remain can be further corrected by the administrative policy of the Department of the Air Force, and I am certain that they will be.

It seems to me we are closing our minds to the facts when we impose a limitation of 100 hours by law, and put it into legislative form. The facts are that first we are governed by the National Security Act in some of these things. Of course, that was by the action of Congress, and that act required the Air Force to be in readiness at all times for prompt and sustained air operation. The other fact is that readiness can be achieved only by sustained and required training.

There is something else to be understood about this 100-hour figure. It was originally established by the Air Force as a minimum for professional flight training for pilots in an administrative position.

We cannot overlook the fact that there will always be the necessity of placing many experienced pilots in administrative positions.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. PRICE. I yield to my colleague

from Mississippi.

Mr. WILLIAMS of Mississippi. I have just this morning found out that the cost of a B-36 is somewhere in the vicinity of \$3 million, and a B-47 runs to about \$2 million. The destruction or crash of one B-36 by a rusty pilot would more than offset any savings that might accrue from placing this 100-hour limitation in this bill, not to mention the lives of the boys who might be in the air.

Mr. PRICE. The gentleman brings out a very good point, but regardless of that we have to take into consideration the primary mission of the Air Force. We have to recognize the fact that many officers are required to occupy administrative and other desk positions, who will be the men called upon in the first brush that the Air Force is brought into in case of trouble any place in the world. These are the men who will carry on the first efforts and first action of our Air Force in the event of war.

The 100-hour flying limitation was originally established by the Air Force as a minimum for proficiency flight training for pilots in administrative, technical, and staff positions. It was never thought of as a maximum. It was determined by calculating the lowest rate of flying time at which the proficiency of the pilot does not retrogress into an increasing and unacceptable trend of accident occurrences. Any provision in the budget which sets 100 hours as the maximum for proficiency flying serves to

vitiate and compromise the entire flying safety program. And that program, I would remind my colleagues, is directed toward insuring not only safety of flight but conservation of material and personnel resources. By personnel resources I mean lives—the lives of the men who fly the planes.

Here is the Air Force, then, on the one hand, striving for readiness, and making a truly herculean effort to promote safety-which, in the long run, means economy; and here is the Congress, on the other hand, telling the Air Force, in the name of economy, that it must take steps which will increase the pilots' chances of being injured or killed.

To me, this simply does not make sense. It is basically and fundamentally wrong. It serves to deplete our reservoir of trained pilots, and it weakens, even destroys, our Air Force's ability to engage in sustained air operations. It is false economy-economy on paper, not economy of resources.

Mr. Chairman, the destruction of only or 2 modern aircraft, together with the loss of their highly trained crews, will negate any paper savings which might appear to result from this flying time limitation, with its saving of gasoline.

The Air Force found out, during the Korean war, that Reserve officers, recalled to active duty and given flight refresher courses, had a 45 percent higher accident rate than officers who had been flying the prescribed minimum of 100 hours per year. This alone proves that regularity of training is a contribution to safety. It follows that increased regularity increases the contribution. No commercial airline would entrust responsibility for a plane load of passengers to a pilot whose flying time was limited to 100 hours a year, and yet with the clouds growing ever darker on the horizon, we would limit the flying of one-third of all Air Force pilots.

It is essential that our pilots continue to be the most proficient flyers in the world. It is my urgent plea, therefore, that my colleagues support the amendment offered by the gentleman from Mississippi.

(Mr. PRICE asked and was given permission to revise and extend his remarks.)

Mr. SCRIVNER. Mr. Chairman, I rise in opposition to the amendment and ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from

There was no objection.

(Mr. SCRIVNER asked and was given permission to revise and extend his remarks.)

Mr. SCRIVNER. Mr. Chairman, I wish to state that, because of the very high personal regard I have for the gentleman from Mississippi, who introduced this amendment, and an equally high regard for the splendid war record he has made, it becomes unpleasant for me to oppose his amendment; but all of the picture is not nearly as bad as he and the gentleman from Illinois have painted.

In the first place, he knows, and I know, that there are not going to be any rusty pilots put in B-36's or B-47's. In the second place, the purpose of this program has been misunderstood too many times by too many people. We all know that as of today perhaps 20,000 men who have been rated as pilots, as flying men, are on desk jobs which do not at this time call for flying. Many thousands of them will no longer fly. But in order for these men who are on desk jobs now to get their flying pay the practice has been established to set up what is known as minimum individual training-MIT. which we commonly refer to as proficiency flying. That is not a proper name for it, but it has been in use so long that we will continue to use it.

In order to get this flying pay there was a requirement that they have this minimum of 100 hours a month. knew some of these people were flying some little Beechcraft C-46's, and so on, that they had a lot of fun doing it, that they took a lot of joyrides to various parts of the country, that they did a lot of things that not only were foolish but were quite expensive. That situation grew to such an extent some remedial action had to be taken inasmuch as the Department did not do so.

This section was adopted last year and up to now it has not impeded or impaired progress or training. This is just purely for these, as the gentleman from Mississippi [Mr. WILLIAMS] calls them, desk pilots, or pilots now assigned to desk jobs, so that they can keep on getting their flying pay.

Mr. WILLIAMS of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Mississippi.

Mr. WILLIAMS of Mississippi. I might say that two of our best pilots in the category the gentleman is referring to would be John Meyer, who served here several years as liaison officer, and who went from here to F-86's in Korea; and later, Col. Jim Wilson, who also served here for several years, left here to take charge of a B-29 group in Korea. Those men could not have done that with the handicap of the 100-hour provision in effect during their service here at the Capitol.

Mr. SCRIVNER. The gentleman designated the category, and surely he does not believe they would be taken from a desk job to a B-47 without taking the required 100 to 120 days training pressure course?

I am not a flier. I have flown as a passenger quite a few thousand miles, and I want these men to be good pilots because they are the men who have my life in their hands. I would not do anything that would jeopardize the skill of these pilots because I might ride with one of them one of these days. But before they go back into active flying they are given 120 days training under pressure. If you will read the entire hearings and read the report, you will find that this provision does not restrict training flying in any degree.

I know the gentleman from Mississippi is interested in this matter and wants the whole story. This section does not restrict training flying one single solitary minute. There were some people who were getting flying pay we did not think were entitled to it. They have been taken off. The bill passed last year with this language in it. We have not changed it.

This act did not go into effect until late in August, so that by the time the regulations were drafted, the real effect of this provision in last year's bill did not come into effect until late in the fall. But even in that short time it was found that this has reduced the so-called proficiency flying. It stopped many abuses and probably saved somewhere in the neighborhood of \$35 million or more.

Here is what the Defense Department is doing: They have now set up a review board composed of fliers who are going to go over the entire list of these men who have the nonflying assignments, considering years of experience, 14, 21, or 28 years, to see whether they should stay on or be removed from flying status. Then they are going to make still further study and make recommendations, and they will come up between now and the time the appropriation hearings are before us next spring, probably in January, with a complete report showing the effects of this provision during the period of time it has been in operation, and they are going to set up their standards, stop the abuses, and still make it possible for these men to keep their hand in. If they are not going to fly again, why waste all this time and just let them joyride around all over the country? I think the gentleman from Mississippi agrees that these abuses should be stopped.

Mr. WILLIAMS of Mississippi. I agree there were and are abuses, but if there are men in the Air Force who will never fly again operationally, let us re-

move them from flying status.

Mr. SCRIVNER. That will be one of the results.

Mr. WILLIAMS of Mississippi. I recognize the fact that the gentleman is as sincere as he can be in supporting this limitation, and I am sure that he will grant me the same concession.

Mr. SCRIVNER. There is never any question in my mind about the gentle-

man's sincerity.

Mr. WILLIAMS of Mississippi. I thank the gentleman. I think both of us would like to see the same end result, and the only difference between us is a difference of opinion as to what the ultimate effect of such a limitation would be.

Mr. SCRIVNER. Of course, it has not been in effect long enough to give us any real, definite conclusion. That is one reason I suggested, when we talked about this yesterday, that this provision be left in for a year, and by that time we will have some real facts to go on.

Mr. TEAGUE. Mr. Chairman, will the

gentleman yield?

Mr. SCRIVNER. I yield to the gentleman from Texas, for whom I also have great admiration.

Mr. TEAGUE. The gentleman stated that no flight training has been restricted.

Mr. SCRIVNER. That is right.

Mr. TEAGUE. In reading the hearings, it seems there is a considerable dif-

ference of opinion between the committee and the Air Force as to what this amendment means and what it does.

Mr. SCRIVNER. I know, but all we can do is to write the provisions of the law. We cannot administer it for them. We found when this section came up before the committee that there was some question, and we were told that in so many words-and the gentleman from California and all of us were in on this discussion which you will find, I believe, on page 500 of the hearings—that this was to be confined solely to the maximum individual proficiency flying. The Secretary then read just exactly what the provision was, and he stated that there would be a limitation of 100 hours of proficiency flying. And I said, "That is right, proficiency flying." And that was when he got the flying pay. If you will go down further in the hearings, you will find where we told them that there was no intention whatsoever on the part of the committee or the section to stop flying training. The Secretary of Defense, the Secretary of Air, or any one of these youngsters in the Pentagon Building, if they find there is any need for them to get flying training, all they have to do is to get an order, and he gets it. It will not interfere with flying training whatsoever. I feel that the provision contained in the bill this year and last year should be retained and that the amendment should be voted down.

(Mr. JOHNSON of California asked and was given permission to revise and extend his remarks.)

Mr. JOHNSON of California. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment of the gentleman from Mississippi [Mr. Williams]. It seems to me that the language of the bill on pages 43 and 44—paraphrased—clearly limits the time a pilot may fly to 100 hours a year. It reads:

No part of the appropriations in this act shall be available for * * * operating aircraft * * * for the purpose of proficiency flying except in accordance with regulations issued by the Secretaries of the Departments concerned * * * which shall establish proficiency standards and maximum and minimum flying hours for this purpose, but not to exceed 100 hours during the fiscal year.

To me it seems clear that the time limited to any one pilot, and we are talking about those who are on some kind of desk duty but who are qualified USAF pilots, is 100 hours per year.

These pilots may have come from the Strategic Air Force, from a Fighter Squadron, from the Military Air Transport Service, from a Search and Rescue Squadron or from other categories in the USAF.

It is the policy of the Air Force to rotate its pilots to various kinds of jobs, so they will get a broad experience. In the group are some who later in their career will hold top positions in the USAF and this is a means of widening their experience and learning about their ability to handle important assignments. But these men are pilots and most of them young enough so they will, when

a tour as a liaison officer or a personnel officer is over, go back to flying.

I conceive the word proficiency to mean the development of proficiency in flying, as well as indicating enough flying to place the pilot on a flying pav status.

The committee by statements in its report indicate that it believes proficiency means to do enough flying so as to qualify for flight pay. But I do not think that the committee can give an interpretation on what its language in the bill means, which is contrary to the express language of the act.

Proficiency to me means proficiency in flying. That means skill in flying. From a modest experience as a pilot many years ago in the air service, I do not think that 100 hours a year is enough flying—less than 2 hours a week—to keep a pilot sharp and keen. Flying and landing airplanes requires skill, coordination of muscle and eye, judgment as to speed and many other qualities. It is a skill that requires constant practice if the pilot is to be sharp as he should be to assure the maximum safety of the aircraft and passengers who are entrusted to him. It is just like any other skill—whether in golf, playing a violin, football, etc. To be good and to keep keen and sharp one must continually practice the skill.

The cost of this extra flying would be nominal. It is using aircraft which the USAF already has. It would merely cost the amount.

Noted pilots like Edward Rickenbacker and James Doolittle do not think 100 hours per year is enough to keep a pilot proficient. Everyone who has ever been in a squadron realizes that sharpness. which means superskill in handling the plane comes from constantly flying. A pilot learns something from almost every flight he makes. Being away from the cockpit of his plane makes him feel strange in it. It should really be his life and to make it such he should have a chance to fly as much as he wants to. That is the purpose of the amendment. Col. James Wilson was a liaison officer several years ago. Last fall when on an official trip for the Armed Services Committee I met him in Hawaii and he was in command of a bombardment wing. When he was in Washington he flew a lot to keep himself fit as a pilot. All these pilots who are on desk jobs should have full opportunity to fly so when they go back to flying, either as a commander of a squadron or other flying duty they will be fit to take over.

I think I am justified in quoting Hon. STUART SYMINGTON as saying in substance, when he was Secretary of the Air Force "that we want our pilots in the air as much as possible. That is what makes them sharp, keep, and skillful in their particular specialty."

Unless one has lived in an air squadron, where flying was your only occupation, he cannot understand how important good flying is to morale. We had a commanding officer in my squadron who set an example by his excellent flying record. He was a model for us. We all strove to be as good as he was as a

pilot and the morale of the squadron was wonderful.

I hope I may be pardoned for referring to my own personal experience. Another squadron operating out of the same field had a squadron commander who was a poor flier, who did not inspire his flying officers. He was soon removed as his attitude almost destroyed the morale of the squadron.

Our pilots today must be the best. They have superhuman tasks and on their skill rests our safety and security. It is a small but an important contribution to their efforts to be the best pilots in the world that we should give them all the time they want to increase their ability and proficiency to fly their planes.

I realize that a very few may abuse the rule required to be observed to draw flying pay. But that matter should be handled by the Air Force. We should not punish the many who are sincerely anxious to improve their flying skill because a few weak sisters drew flying pay who really should not have it.

This amendment should pass so the morale of the Air Force will remain good. Mr. SCRIVNER. Mr. Chairman, will the gentleman yield?

Mr. JOHNSON of California. I yield to the gentleman from Kansas.

Mr. SCRIVNER. Mr. Chairman, I find on returning to the desk that I made a misstatement when I was presenting the matter. I said that these men should be given 120 hours refresher training. It is 120 days.

Mr. WHEELER. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I rise in support of the amendment. During 4 years' experience that I had in the United States Air Force I saw a lot of money wasted in the socalled proficiency flying program. I have been led to believe, since being discharged from the service in 1946, that there has continued to be some waste in this field. However, I am constrained to believe at this time that, granting that there might be a few million dollars wasted each year, based on my previous experience, I am convinced that 100 hours per year is not enough time. I do not want any money wasted. But if this waste cannot be terminated administratively—and certainly there should be some officials of the United States Air Force who can terminate it administratively-if it cannot be eliminated administratively, I would rather waste a few million dollars and maintain flight proficiency in the only branch of the service on which we can hope to depend for our future security, than to see it wasted as I did the day before yesterday in the sand hills of North Carolina. On the day before yesterday I drove through North Carolina and I saw millions of dollars being wasted there. I saw American boys with populus playing hide and seek through the hills of North Carolina using tactics that would have been fine in World War I or II.

I am assuming that those who are directing the destinies of our Military Establishment are hoping that these boys, with popguns, can be expected to shoot down Russian TU-4's if and when the need arises, with Garand rifles. The only point that I am attempting to make

in these few minutes is that we should place these expenditures in proper perspective. If you cannot find administrative officers to man your Air Force in such a way as to keep money from being wasted in proficiency flying, then we should divert some of the money that is being wasted this week down in North Carolina training troops to engage in World War I and early World War II tactics and use that money to maintain flying proficiency in the Air Force.

I am one of those people who believes that our only hope for future security is to attain and maintain complete and positive control of the airlanes anywhere and everywhere in the world. I do not believe you can maintain proper flying proficiency among the pilot personnel with modern aircraft by restricting them to 100 hours per year.

I sincerely hope that this amendment will be adopted. By that I do not mean that this Congress should endorse the wasteful expenditure of money. But if we have got to waste money I would rather waste it in attempting to maintain flight proficiency than see it wasted in ground force maneuvers. The ground force maneuvers that I saw day before yesterday were just as obsolete as the

caisson of World War I.

You cannot deliver H-bombs and A-bombs on Moscow or Smolensk with ground force divisions. You have got to have proficient flight personnel to pilot the highly technical equipment, if you are going to maintain the security of this country. I do not think that 100 hours per year is enough time. I believe that if a man does not need more than 100 hours, he should be dismissed from the Air Force as one of the flying personnel. If he does not need more than 100 hours, we do not need him at the controls of an airplane.

(Mr. WHEELER asked and was given permission to revise and extend his remarks.)

Mr. MAHON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, when this proficiency flight matter was before the committee last year I did not support it and I did not champion it this year, but I think one has to admit that there have been, and there probably still are, some inexcusable abuses in this field. The gentleman from Mississippi nods assent to the statement which I make.

I should like to have the very careful attention of the gentleman from Kansas [Mr. Scrivner], the gentleman from Nebraska [Hruska], and the gentleman from Maryland [Mr. Miller], members of the subcommittee. If the interpretation they give to the present law is the correct interpretation, I do not see why anybody should be disturbed about the present limitation.

If you turn to the Department of Defense hearings—that is the Department of Defense, not one of the services—you will find on page 495 that Mr. White of the Air Force says this:

The Department of Defense supports enactment of section 720 in its present language.

That provision is now identified as section 721.

So the Air Force has officially said that it favors this language, and it has said that through the Assistant Secretary of the Air Force, Mr. White.

Mr. WILLIAMS of Mississippi. Mr Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. WILLIAMS of Mississippi. I think it is significant to note that none of the flying officers, including General Twining and others, were asked for their opinions by the committee on this subject.

Mr. MAHON. If the gentleman will let me proceed, I have here stated the darkest side of the picture from the standpoint of the gentleman's amendment. I want to be fair and give the full story.

The Secretary goes right on to say on the same page:

It is necessary to point out, however, that our experience with this legislation is extremely limited. During the short time it has been in effect it has not been possible to make a true evaluation of the long-range impact of restriction. We know that the restriction will in time reduce the overall experience of the pilot corps of each of the services.

I want to give the whole picture.

We know, too, daily advances in aviation and the increasing complexity and costs of air equipment demand even higher levels of pilot skill.

I skip down a little further, to where Mr. White says on page 495:

In other words, you were not driving, as I understood it, to just restrict everybody. Your feeling was that it had been abused—

That is true. I and other Members felt that it had been abused—

and a great many people were flying under proficiency flying who would never go into combat.

Mr. Scrivner. We were right in that belief were we not?

Mr. White. I think so; yes. However, the danger of the 100-hour limitation or any limitation like that is that the man who is going to combat some day can only fly 100 hours, too.

Mr. Miller. Why is that, Mr. Secretary?

And then the gentleman from Maryland [Mr. MILLER] further asked this very pointed question:

Why can't he fly more than 100 hours if it is for training purposes and you want him to fly more?

That is the way the gentleman from Maryland [Mr. Miller] apparently feels and that position seems to be sound.

Then the record reads further:

Mr. White. As I understand the provision in the law, with the rotation that we have for officers, if a man is in SAC his flying hours are not covered by this provision. But the minute he gets rotated into the Pentagon Building or rotated somewhere else, for a year or two, then he is restricted to 100 hours, even though eventually he will go back to SAC.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. Mahon asked and was given permission to proceed for 5 additional minutes.)

Mr. MAHON. That is the way the Secretary interpreted it, apparently differently from the gentleman from Maryland [Mr. MILLER.] But then the gen-

tleman from Maryland [Mr. MILLER] says this:

I would not think so. If your staff people want to extend the flying training to more hours there is nothing in this act to prevent it.

I was impressed by that statement at the time—more than I am now.

The gentleman from Maryland [Mr. Miller] continued:

The only thing we say is that he need not fly more to draw flying pay.

And the record reads further:

Mr. White. The act says that no part of the appropriation can be used—

Mr. White was interrupted and the gentleman from Kansas [Mr. Scrivner] said:

It did not restrict the training flying whatsoever.

Mr. White. Then we have been under a misapprehension in the Department.

I thought the language was not very important one way or the other in view of these statements because according to the committee, pilots could fly all they wanted to if it was for training purposes even though they were desk officers in the Pentagon. That is the clear implication from the hearing. If that were true, I would not be disturbed by this language as is the gentleman from Mississippi. But let me read a word on the next page. On page 496, the record is as follows:

Mr. Miller. You certainly have. We have said it again and again. You still seem to say that we are trying to prevent training flying. We have not the slightest intention of doing that.

That is what the gentleman from Maryland [Mr. MILLER] said, and if the gentleman from Maryland's [Mr. MILLER] word will be accepted at the Pentagon, there is no use having this amendment, and it might just as well be withdrawn.

I ask you now to read the section No. 721 as I have read it, and I do not believe the position of the gentleman from Maryland [Mr. MILLER] can be at all sustained. I refer you to section 721 on page 43 of the bill I maintain the amendment says that a desk officer in the Pentagon cannot fly more than 100 hours under any circumstances or under any regulation. The bill reads as follows:

Sec. 721. Notwithstanding any other provision of law, executive order, or regulation, no part of the appropriations in this act shall be available for any expenses of operating aircraft under the jurisdiction of the Armed Forces for the purpose of proficiency flying except in accordance with regulations issued by the Secretaries of the Departments concerned and approved by the Secretary of Defense—

If you do not go any further than that, that is fine. The Secretaries can make these regulations and they can provide for weekend flying in any desirable form, but the section reads further—

which shall establish proficiency standards and maximum and minimum flying hours for this purpose, but not to exceed 100 hours during the fiscal year.

If there is any way to avoid that interpretation, I cannot see it. I believe

that some of the committee members have placed a strained interpretation on the language of the present law and that if the Air Force and Navy should so interpret the law they would be subject to serious criticism.

Mr. SCRIVNER. Mr. Chairman, will the Gentleman yield?

Mr. MAHON. I yield.

Mr. SCRIVNER. An astute attorney and practicing lawyer that the gentleman from Texas is, and I know that he is quite a good one because I have tangled with him in the committee, how you can interpret anything else into this language other than proficiency flying, I am unable to understand. That is all it relates to, proficiency flying. When you come to page 44, fixing the maximum and minimum hours for this purpose, that means for the purpose of proficiency flying. It has no other meaning, except that flying which is necessary for these men to draw flight pay. It does not exclude the Secretary or anybody in command from assigning these men to as many hours as officials thinks they should have.

Mr. MAHON. Let me ask the gentleman this question: Here is a young man 25 years of age, a young officer, transferred from some airfield into Washington. Perhaps he is in a liaison position or over at the Pentagon. It may be his actual duties have nothing to do with actual flying. Does the gentleman say that under the existing law, and under the regulations of the Secretary of the Air Force, approved by the Secretary of Defense, he may fly two or three hundred hours a year?

Mr. SCRIVNER. Not for proficiency flying, but the Secretary could assign him to any unlimited number of hours of training flying.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. Mahon was granted 2 additional minutes.)

Mr. MAHON. Does the gentleman mean to say that the legislative intent of this provision of this act is that any desk officer, under the circumstances mentioned, could be assigned to flight on weekends or at other times when he is not performing his duty as a liaison officer, in excess of 100 hours a year?

Mr. SCRIVNER. For training flying, yes.

Mr. MAHON. Does he have to be assigned to a specific unit?

Mr. SCRIVNER. That is a matter of mechanics that is not difficult to work out. But the gentleman knows and I know there is a tremendous difference between training flying and so-called proficiency flying. The difference is so great that I do not understand how anyone in the Pentagon could have any doubt about it.

Mr. MAHON. In other words, you think the law is being misinterpreted?

Mr. SCRIVNER. I think the application has been too limited.

Mr. MAHON. And that it should admit of desk officers flying more than a hundred hours for training purposes?

Mr. SCRIVNER. Surely. There is no question in my mind about it.

Mr. MAHON. If that is the understanding, and if the Pentagon will follow that policy, I do not see any need for the pending amendment.

Mr. RAYBURN. The trouble about that is the interpretation may be wrong. If you put the amendment in, there will be no question about the interpretation. We are not interpreting this law. We are passing it.

Mr. TEAGUE. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield.

Mr. TEAGUE. Certainly the Air Force did not interpret this as our members of the subcommittee have interpreted it.

Mr. MAHON. I myself did not so interpret the language but if we could persuade officials to interpret it as the gentleman from Kansas interprets it, I do not see the necessity for a change in the law. However, I admit that it may be difficult for the Defense Department to follow the interpretation given by the committee in view of the express language in the bill.

Mr. TEAGUE. But I do not see how officials can follow the committee in view of the language in the present act.

The CHAIRMAN. The time of the gentleman has again expired.

Mr. MILLER of Maryland. Mr. Chairman, I move to strike out the last two words.

Mr. WIGGLESWORTH. Mr. Chairman, will the gentleman yield for a unanimous-consent request?

Mr. MILLER of Maryland. Yes; I yield.

Mr. WIGGLESWORTH. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at the conclusion of the remarks of the gentleman from Maryland [Mr. MILLER].

Mr. BENTSEN. Mr. Chairman, I would like 5 minutes.

The CHAIRMAN. Will the gentleman amend his request to allow the gentleman from Texas to have 5 minutes?

Mr. WIGGLESWORTH. Mr. Chairman, I will amend the request that all debate on the amendment and amendments thereto close in 10 minutes after the conclusion of the remarks by the gentleman from Maryland [Mr. MILLER].

The CHAIRMAN. With 5 minutes allowed to the gentleman from Texas [Mr. Bentsen]?

Mr. WIGGLESWORTH. And the gentleman from Arizona [Mr. Rhodes].

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

(Mr. MILLER of Maryland asked and was given permission to revise and extend his remarks.)

Mr. MILLER of Maryland. Mr. Chairman, the gentleman from Texas, my distinguished colleague [Mr. Mahon] has been reading part of this record. I will not read any more of it than necessary, but there are several more pages of it and it develops that not only did Mr. White interpret this provision contrary to the way the committee intended,

but it also seems that General Asensio said on page 500 of the hearings:

Sir, if I have been tilting at windmills, we will be very happy-

And to that I replied:

You certainly have ever since this came into the law.

Then the general replied:

Then we will be delighted to dispense with the windmill.

Your committee thought the matter had been cleared up there.

Mr. JOHNSON of California. Chairman, will the gentleman yield for

Mr. MILLER of Maryland. I yield to the gentleman from California.

Mr. JOHNSON of California. I would like to find out is this, and this is the crux of the whole question, in my opinion: Does proficiency flying mean only the minimum time you fly to get

flight pay? Mr. MILLER of Maryland. To draw flight pay. We want to remember that.

Mr. JOHNSON of California. Does it not also include improving the man's proficiency as a flyer?

Mr. MILLER of Maryland. No, that would be training flying. Proficiency flying is a misnomer as it is used in this connection.

Mr. JOHNSON of California. With every flight his proficiency is enhanced, or his knowledge of flying skill is improved.

Mr. MILLER of Maryland. Yes, any time he flies he learns something, and therefore it might be considered training, but as far as the pay bill is concerned this word proficiency means enough flying to entitle him to draw flight pay.

Mr. JOHNSON of California. And who made that interpretation, that de-

Mr. MILLER of Maryland. I call your attention, if you will, to page 7 of the committee report. So that there can be no further misunderstanding about it I would like the membership to note that the committee makes this statement in its report:

The committee received testimony that the limitation on proficiency flying was, in certain instances, interpreted to restrict flying for training purposes. The history of this limitation, including the debate on the 1954 bill, includes no statement to the effect that training flying is to be limited. It is the intent of the committee that this limitation be so administered as to leave no question that training flying, as determined by the Secretary, is excluded from the limitations contained in section 721 of the bill.

Mr. JOHNSON of California. Chairman, will the gentleman yield further?

Mr. MILLER of Maryland. I have not much time left, but I yield.

Mr. JOHNSON of California. I do not see how the understanding of the committee and its statement in the report can overcome the specific language that is in the bill itself.

Mr. MILLER of Maryland. With the gentleman's permission I can only say that in my opinion as a lawyer that if there were any doubt as to what that

language meant, the debate, the committee hearings, but more than anything else the fact that the language has been interpreted in the committee report should remove any doubt or uncertainty as to what was meant by this language. The committee has said what it means in its report. It would therefore seem to me that there could not be any doubt that training flying is not to be limited and that it is quite different from proficiency flying.

Mr. JOHNSON of California. But we cannot in the committee interpret a statute if it is contrary to what the act itself spells out.

Mr. MILLER of Maryland. Lawyers do not always agree on the meaning of language but when there is doubt, usually courts follow the legislative intent indicated by debate and particularly when set forth in a formal committee report.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. BENTSEN].

Mr. BENTSEN. Mr. Chairman, we have a situation here where the former chairman of the committee and the present chairman of the committee find themselves directly opposed to each other as to the interpretation and meaning of this language in the bill. In such a situation, and with the Air Force in a quandry as to the correct interpretation, it seems to me that the interests of the Air Force, the country and the Congress are best served by adopting the pending amendment.

We have heard a great deal of discussion about proficiency and training and the difference between them. We have been told there is a great difference and an obvious one. But to me, a pilot who is retaining or keeping up his proficiency is also in the process of training. In flying you are constantly funning into new situations, I do not care how many hours you have flown in the past. A different type of engine failure, a new weather condition, a new icing condition, that results in continued training of that particular pilot. I think the difference is so nebulous and that there is such a faint line between proficiency and training that the present language in the bill is confusing; therefore should be removed.

One of the things you notice in combat overseas is the morale of the squadron, the group or the wing. Much of it is determined by the commander or "old man" of that particular unit. He must be able to fly as well as the men under his command if he is to have their respect; yet sometimes during World War II you saw commanders come in on a squadron, wing or group who were poorly trained flyers or who had been away from flying too long. They could not do the job of close formation flying, instrument flying and precision flying as well as men under their command. The reason was they had been at desk jobs and in many instances they did not keep up their proficiency and training for continued flying operations.

The SAC has set up some limits of minima of amount of flying hours needed before a man can fill certain flying po-

sitions. A B-47 co-pilot must have 900 hours, a B-47 pilot 1,500 to 2,000 hours depending on type, and a B-36 pilot 2,000 to 3,000 hours depending on type.

It is perfectly feasible to find a man who has served in the Pentagon for two 3-year tours who has been limited to 100 hours a year to suddenly find his training and proficiency have not kept up with his birthdays. The results are the age bracket for these positions in the SAC goes higher and higher for the type of men who are to command the B-47's or the B-36's. You find as they grow older their alertness is not as good, and you are losing the best physical years of these men who have command and executive capabilities. The young men who have the physical alertness are not achieving the level of proficiency and training as required. By the time they achieve the necessary total hours, they are bifocal pilots.

I believe the amendment should be adopted to eliminate the confusion between proficiency and training flights. It cannot be shown where one starts and whether the other stops.

Today we are building an all-weather Air Force, one that is operated by jets. That means a higher degree of training, that means a higher degree of proficiency for those men. If we are going to have them go out flying their missions with less hours, you are going to have a greater number of aircraft accidents. You are going to lose more planes and you are going to lose valuable men.

Captain Jarecki, the escaped Polish pilot, had this to say when interviewed by our intelligence officers:

I was a pilot in a MIG squadron, and I had less than 150 hours in the air. Of those, 100 hours were in the conventional planes or training units. Then I was assigned to a tactical unit where I got 5 hours in a two-place jet trainer, the training version of the MIG. After I had 40 hours in the MIG, I escaped. I think most of the Red pilots flying in Korea probably have had the same kind of training, and this is no match for our American training.

So I say, let us not make a fair weather Air Force out of our most important deterrent to attack. It is my firm conviction that a maximum of 100 hours of flying a year will not retain a pilot's proficiency particularly when only a small portion of that is normally allocated to instruments.

You do not always know what your weather will be at the start of a flight despite weather predictions. You may start out on a nice clear day but the first thing you know you are surrounded by weather. You had better know how to fly on instruments and have had sufficient training.

In emergencies, because of malfunction of equipment or because of weather conditions, you simply have not time to have to think out each step of your procedure. Your training must have indoctrinated you to such an extent that your reactions are automatic.

If you lose one, or two, of the few of these expensive airplanes because of insufficient training or lack of proficiency, you will have lost not only the lives of the pilots but the planes. It is impossible to put a dollar value on the

life of any young American, but we do know what it has cost the Government to train him and what the aircraft has cost. In dollars alone you will have lost more than you could save with this attempt at false economy.

Mr. JOHNSON of California. Mr.

Chairman, will the gentleman yield?

Mr. BENTSEN. I yield to the gentle-

man from California.

Mr. JOHNSON of California. The gentleman is, indeed, an excellent pilot and has had a lot of experience. Is not this a fact, that you have to have good coordination of your eyes and muscles and use good judgment, and the more

you fly the sharper you get?-

Mr. BENTSEN. The more automatic your reaction is. I will say this to the gentleman: I used to think, as many of us did, that I was a pretty good pilot, but after the war, when I came back, I was a Sunday airplane driver. I do not pilot an airplane anymore, because I am not proficient in flying now, because I do not have the automatic reaction I would have to have. We must not relegate our Air Force officer while on administrative jobs to Sunday airplane drivers.

(Mr. BENTSEN asked and was given permission to revise and extend his re-

The CHAIRMAN. The Chair recognizes the gentleman from Florida [Mr.

BENNETT]

Mr. BENNETT of Florida. Mr. Chairman, I support the amendment before us, but I do it for slightly different reasons than those so far announced. I have been impressed by the arguments made to the effect that a greater period of time in the air is needed; but the major reason I support the amendment before us today is because the provision in the bill is legislation on an appropriation bill and should properly be handled by the Committee on Armed Services. where it could be given adequate consideration.

One of the main reasons I have risen to speak is that I think it would be a grave mistake for Congress to leave in the record the impression that there is substantial support here for the idea that the infantry soldier is no longer needed. More people are being drafted into the Army today than in any other branch of the services. These men are making sacrifices for our country. Their chances for fatalities are greater than among the other services. They are greatly needed. That situation will continue for the foreseeable future. I remember before the Inchon landing in Korea one of the outstanding generals in the history of this country proposed that amphibious landings were a thing of the past, and only a few weeks after that he had to eat his own words. There were certainly very important amphibious landings at Inchon. I think it would be a mistake for people to believe that Congress feels that these current maneuvers in North Carolina are not needed. Certainly, the infantry soldiers are needed. They must be trained. The history of war shows that where you have one set of weapons and you acquire another, you merely add; you do not subtract, and I hope that it

will be clear to everybody who is listening to this debate that the infantry soldier is greatly needed. As one who has been a foot soldier for approximately 5 years in World War II, I think I know what the infantry soldier is up against. Some people say that the infantry soldier is a thing of the past because the next war will be only a pushbutton war. I wish with all my heart that that would be so. I would gladly give my life to make it true that the infantry soldier is no longer needed. Unfortunately that is not true.

Mr. SMITH of Mississippi. Mr. Chairman, will the gentleman yield?

Mr. BENNETT of Florida. I yield to the gentleman from Mississippi.

Mr. SMITH of Mississippi. I would like to make it clear that a large portion of the Congress do not regard the maneuvers for ground troops as a waste of the people's money; in fact, they are vitally necessary for the defense of the Nation.

(Mr. WAINWRIGHT asked and was given permission to extend his remarks

at this point in the RECORD.)

Mr. WAINWRIGHT. Mr. Chairman, it seems to me that at this particular juncture it would be unwise for the Congress to restrict the Air Force in any manner as to the training of its personnel. True, the statement has been made that the Air Force officers failed to oppose the 100-hour limitation. However, it has also been pointed out that they were asked to cut their budget to the bone, and proficiency flying would appear to be the first cutback. I am alarmed at the possibility of Pentagon flying officers being limited in proficiency flying in jets. To stay on the top of the ball in jet flying it may be necessary to have far more than 100 hours provided as a limitation in this bill. Consequently, I must rise in support of the amendment striking out the limitation.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona [Mr.

RHODES].

Mr. RHODES of Arizona. Mr. Chairman, might I have the attention of my good friend, the gentleman from Kansas [Mr. Scrivner], the chairman of the subcommittee?

Mr. SCRIVNER. The gentleman always has my attention when he talks.

Mr. RHODES of Arizona. I would like to say to the gentleman that it pains me deeply to be in favor of an amendment which the gentleman opposes. I have the greatest respect for him.

Mr. SCRIVNER. Never let my position interfere with your own judgment.

Mr. RHODES of Arizona. One question I would like to ask that came to my mind as the result of the colloquy which preceded this particular matter. It is my understanding if I am assigned to the Pentagon Building as an officer in the Air Force, in the personnel section, and I have nothing to do with flying whatsoever except insofar as I am an officer of the Air Force, that I can only get 100 hours per year of flying. Further, it is my understanding that if the Secretary of the Air Force believes that at some time or other I am going to combat, that he can give me an additional duty involving training, and if that is done, I can then get as many hours of flying as there are aircraft available. Is that a correct statement?

Mr. SCRIVNER. I would not interpret it quite as broadly as the gentleman states, but if you read on page 501 of the hearings, we discussed that question. The 100 hours only relates to the drawing of proficiency pay; in other words, rated fliers have got to fly this time in order to get their flying pay. I think the gentleman understands that. That is what we normally call proficiency flying. It is an improper word, but if you will read on the bottom of page 501, we discussed the question that the gentleman asks. If a young officer were brought into the Pentagon Building out of SAC and is going to return to SAC and is going to be a combat pilot, then, in so many words, all in the world that the Secretary has to do is to assign him to flying training. It is just that simple. and I do not know why there has been so much confusion or doubt in this whole situation.

Mr. RHODES of Arizona. Actually the provision on line 3 of page 44 refers only to proficiency.

Mr. SCRIVNER. That is right. Mr. RHODES of Arizona. And the Secretary of Defense may assign any given officer to an additional duty which would allow him to fly more than 100 hours.

Mr. SCRIVNER. He would assign

him to flying training.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from Mississippi [Mr. WILLIAMS].

The question was taken; and on a division (demanded by Mr. Scrivner) there were—ayes 95, noes 63.

So the amendment was agreed to.

The Clerk read as follows:

SEC. 737. In order more effectively to administer the funds appropriated to the Department of Defense, the President, to the extent he deems it necessary and appropriate in the interest of national defense, may authorize positions in the Department of Defense to be placed temporarily in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949 in accordance with the procedures and standards of that act, and such positions shall be additional to the number authorized by section 505 of that act. Under authority herein, grades 16, 17, and 18 in the Department of Defense may be increased only to the extent that the total of such grades in the Department of Defense shall not exceed 200.

Mr. McCORMACK. Mr. Chairman, in a speech I made previously today I referred to the purpose of our military strength in connection with the attainment of national objectives in our foreign policy.

I shall enlarge on that thought in the remarks I am about to make.

I suppose I am in the marked minority but history has shown on many occasions the minority was right and the majority was wrong.

I have repeatedly said in and outside of this House: "The only thing the Communists respect is what they fear, and that is power and strength greater than they possess."

I further have said "For a Communist is possessed of the mind of a world

killer."

It was only a few weeks ago when a tax reduction bill was being debated in this House that I said, in substance, "Instead of reducing taxes we should be thinking of greater defense: that if President Eisenhower were to recommend more appropriations for greater defense he could ask for an extension of expiring taxes, and the people would support him; that the American people are willing to make all sacrifices necessary for security and for world peace."

In considering the purpose of military strength it must be borne in mind it is directly and mainly connected with the attainment of national objectives in

foreign policy.

There are only three ways that I know of how these objectives can be brought about or obtained.

First. In case of war by winning it.

Second. By creating such a preponderance of military strength that a nation can enforce its will without going to war.

Third. By negotiating around a bargaining table.

If we are not stronger from a military angle than the Soviet Union then the first two are out.

From the evidence I have we are not stronger than the Soviet Union.

My information is that the Soviet Union has at least 175 divisions in active service, plus some 50 to 75 European satellite divisions. This does not include the 250 to 300 reserve divisions, nor the armies of Red China.

Compare that with the land strength

of our allies and our self.

As I understand it, we have a warplane production of all types of about 12,000 a year which we must compare with the best estimate of 22,000 a year for the Soviet Union including 5,400 MIG jet fighters.

I have heard it said that the Soviet Union has been feverishly building a strong navy, and even some competent authorities have said that the overall strengths of the navy of the Soviet Union is second only to the United States.

I have heard competent authorities say that the submarine fleet of the Soviet Union exceeds the combined underwater fleet of the rest of the world. Also, that the Soviet Union is building 4 and possibly 5 new super battleships capable of launching guided missiles.

In the field of atomic and hydrogen bombs the knowledge exists that the Soviet Union has made considerable if

not great progress.

We hear of the building of bombers capable of flying to a destination in the United States and of returning to the Soviet Union.

We cannot think today in terms of only a few years ago—1948—when we possessed the atomic bomb and, on the best information our intelligence had then, the Soviet Union did not.

Is there anyone who honestly thinks we have the strength and are building

the strength to know if war should suddenly come we can win it?

Is there anyone who honestly thinks we have such a preponderance of military strength that the Soviet Union and its satellites and Red China fear the same, and that we have such strength that the Soviets would be afraid to carry out a sneak attack on us and our allies?

If we are not strong enough in the first two respects what chances would we have "on negotiation around a bargaining table?"

If we are not strong enough in the first two purposes I have mentioned, are we strong enough, or building in the immediate future, enough military strength to insure a favorable negotiated peace at some future conference table?

You will note I said "a favorable negotiated peace."

Certainly any unfavorable one would be just too bad for our country and for our people.

If I am going to err, I prefer to err on the side of strength than on the side of weakness.

In the world of today, between lower taxes and greater military strength—I prefer greater strength. As between dollars and liberty—I prefer liberty—and I know you and every other American does.

But have we got the military strength to enable our country to attain its national objectives in foreign policy, or ifwar is thrust upon us to be capable of winning the war?

These are questions that transcend party policies. They directly relate to the national interest of our country.

Exercising my judgment and searching my conscience I do not think we have that military strength.

President Eisenhower must answer these questions in communion with his conscience. So must all Americans, particularly those of us entrusted with responsibility.

For history is being made, and history will judge all of us and particularly the President of the United States, who mainly determines our policies for what we do or what we fail to do.

While I am pleased to note the new policy of 137 air wing groups by latter 1957, I do not feel happy with the reductions made in the other branches of our armed services, particularly in the Army.

With the world plotters of communism determined to conquer the world and to enslave all peoples, with the resultant viciousness and cruelty, my judgment tells me and my conscience dictates to me that this is not the sound or wise course to take.

To me, it is erring on the side of weakness and not on the side of strength.

Mr. COUDERT. Mr. Chairman, I offer an amendment.

The Clerk read the amendment, as follows:

Amendment offered by Mr. COUDERT: On page 50, add a new section, beginning on line 3, as follows:

3, as follows:

"Sec. 738. None of the funds appropriated by this act shall be available for defraying any of the expenses of maintaining uniformed personnel of the United States in armed conflict anywhere in the world: Pro-

vided, That this prohibition shall not be applicable with respect to armed conflict pursuant to a declaration of war or other express authorization by Congress or with respect to armed conflict occasioned by an attack on the United States, its Territories, or possessions, or an attack on any nation with whom the United States has a mutual defense or security treaty."

(Mr. COUDERT asked and was given permission to proceed for an additional 5 minutes and to revise and extend his remarks.)

Mr. COUDERT. Mr. Chairman, I shall probably not require the 10 minutes to state my position on this matter, because yesterday afternoon, at the close of the general debate, I stated fully the reasons for this amendment. My statement appears on page 5393 of the Record, if any Member wishes to read it.

This amendment speaks for itself. It is the outgrowth of the resolution that I introduced 3½ years ago in January, which would have established the principle that funds appropriated for the military would not be available for foreign military adventures solely upon the individual responsibility and decision of any President, without full participation by the Congress, as provided in the Constitution itself where the war-declarating power was put in the Congress.

The resolution, which is now House Joint Resolution 20, has been reposing quietly in a pigeonhole of the Committee on Armed Services for these 31/2 long years. Each year I have written to the chairman and requested that the committee give attention to that proposal to the end that something be done, something; and I have no such pride of authorship as to insist that my particular something be it. However, I insist that something be done to prevent another Korea in the near or distant future by any President who chooses to interpret the Constitution in such a way as to permit him to bypass the Congress in committing the people of the United States to great and bloody wars.

For 3 years we have sat silent in this House, we have done nothing, we have taken no steps, no constructive steps, to cure the situation that was revealed in the tragic Korean episode. I submit, Mr. Chairman, that we have been very remiss in that.

Insofar as I am concerned, had that resolution of mine or some similar resolution been reported out, had the House had an opportunity to express itself on this vitally important matter, I would not be here today with this amendment. This limitation on an appropriation bill is the only method available to bring this question before the House, because appropriation bills have to come out here, they have to be passed, and committees cannot keep them in pigeonholes. So this bill offers the only opportunity the Members of this House are going to have this year or any other year to take a position in defense of the constitutional prerogatives of the Congress so as to secure it in its constitutional power to make war or not to make war. In other words, this particular amendment would use the appropriating power, the power of the purse, to buttress

the power to declare war, which we have seen so clearly can be vital.

I am very much disappointed that our President undertook this morning to express disapproval of this amendment. I frankly do not understand it. I am disappointed. I hoped he would go the other way. As I indicated in my remarks yesterday, he has repeatedly declared that he would not commit the United States to armed conflict in Indochina or anywhere else without the consent of the Congress. He having taken that position publicly, having proclaimed that position to the world, it certainly seemed to me that in offering this amendment I was taking him at his own word, and I was seeking to put on the books legislation that would carry out the very purpose and the very practice that he himself advocates and promises to pursue in dealing with the constitutional relations of the Executive with the Congress.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield. Mr. HALLECK. I am glad the gentleman referred to the public statements of the President in respect to his recognition of the congressional responsibility concerning declarations of war. May I say to the gentleman I have heard him make those statements many times at other meetings where I have been in attendance, and I happen to be one of those who believe in his honesty of intention and purpose, and that he will follow that course. May I say to the gentleman: Do you understand if your amendment were adopted and one of our naval vessels was attacked on the high seas or a squadron of our planes were attacked over the high seas, under your amendment they could not even fire back until Congress decided to do something about it?

Mr. COUDERT. Mr. Chairman, I understand that perfectly. I will take those two points one at a time. first place, I am naturally gratified, as every Member of this House is and every citizen of the United States is gratified, at the President's insistence that he will not commit the United States to war without congressional action. That being the case, I wonder if some people in the United States, however, and in this House, may not wonder why he, and his supporters and leaders in this House, should be opposed to this amendment which would in effect carry out exactly what he says he is going to do. That is a curious inconsistency on that point, I might say.

Mr. TABER. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield.

Mr. TABER. The amendment that you have offered here would prevent any Governor of any State from calling out the militia to quell a riot. It would prevent the use of our troops to repel trouble in Okinawa and Japan where we have our troops quartered, and in Germany where we have our troops quartered. It would even knock us out of Formosa. That is the picture you are presenting to the Congress.

Mr. COUDERT. Mr. Chairman, I ask

unanimous consent to proceed for 5 ad-

ditional minutes so that I may complete my statement and also answer the points made by the gentlemen from New York and Indiana

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. MILLER of Maryland. Mr. Chairman, will the gentleman yield for just one more question?

Mr. COUDERT. I yield.

Mr. MILLER of Maryland. In con-

nection with an emergency, what could be done if the Congress were not in session?

Mr. COUDERT. All right, let us then take them all together. The first one was propounded by the gentleman from Indiana. It seems to me that airplanes, American naval and military planes have been shot out of the air by Soviet fighters in Germany and in the Far East. Now that is the sort of case he is presenting. I say as to that there is no reason under the sky why Congress should not be brought in before the question of war or peace is determined with respect to any isolated episodes of that sort.

As to the question raised by the gentleman from New York, my chairman for whom I have the warmest regard and the highest respect, the areas that he covered first, riots in the United States this particular amendment refers to armed conflict. Certainly, no one is going to construe armed conflict as meaning riots for which the militia may be called out.

Mr. TABER. I am afraid the gentleman has not read his amendment.

Mr. COUDERT. My amendment refers to armed conflict anywhere in the world.

Mr. TABER. That would be it.

Mr. COUDERT. No. 2, as to Japan and Okinawa—Japan and Okinawa are covered in the exception to the limitation which excepts from the operation of the limitation all of those countries with which we have mutual defense or security treaties and that includes and covers Japan, Okinawa, and the areas in Germany in which we are in occupation. In other words, under this amendment everyone of the vital areas including in the NATO countries, the inter-American reciprocal aid countries which is pan America-all of North and South America—the tripartite Pacific treaty with New Zealand and Australia-it covers Japan, Okinawa, the Philippine Islands, South Korea, in other words, it leaves the President completely free and unhampered to do what he deems best to carry out our obligations under mutual defense pacts covering 593 million people on this earth. In other words, it leaves the President completely free and unhampered to do whatever he deems best to carry out our obligation of the various defense pacts covering 593 million people of this earth.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from Ohio.

Mr. VORYS. The gentleman is aware, of course, that we have no such treaty with South Korea, so that an attack on

our forces in South Korea could not be resisted under the gentleman's agreement? The gentleman doubtless did not look up some of these things.

Mr. COUDERT. Yes; the gentleman knew all about that. The Senate has ratified the South Korea treaty. only thing that remains to be done is the exchange of ratifications, which is a ministerial act and can be done at any moment the Executive chooses to do it. So for all practical purposes South Korea is covered in this matter.

Mr. HALE. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from Maine.

Mr. HALE. What would be the status. under the gentleman's amendment, of the 100 or so airplaine mechanics now supposed to be stationed with the French Army in Indochina?

Mr. COUDERT. I think it is a fair assumption, if we take the President's statements at face value, that they are not engaged in armed conflict. That is the limitation in this amendment. That is why I chose the term "armed conflict." It would not apply to any civilian or military help that was not engaged in armed conflict.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. COUDERT. I yield to the gentleman from New York.

Mr. JAVITS. I think the gentleman said something about a mutual-defense treaty with Germany.

I know of no such treaty.

Mr. COUDERT. I consulted the State Department about that and I was advised that an attack upon any one of the occupying forces of the three forces would constitute an attack under NATO.

Mr. JAVITS. So far as I know, Germany is not a party to NATO, at the very least there is a knotty legal question involving the coming into force of the contractual basis with the German Federal Republic and the EDC. I do not see how we can risk the security of our forces in West Germany by tieing their hands by any such amendment as this.

Mr. COUDERT. Does the gentleman suggest for a moment that there is going to be a Russian attack on our forces in Germany that is not going to be a part of an overall massive attack that will violate the NATO agreement?

Mr. JAVITS. I say we should not act on the floor of this House on this amendment on the supposition that there will not be one and I do not think the House. being responsible, should speculate on the security of forces we have in-Germany either.

Mr. COUDERT. Is there any limitation that the gentleman would accept upon the presently unlimited power of the President to commit the United States to war?

Mr. JAVITS. The President has no such unlimited power, under the Constitution or otherwise, and the gentleman knows it. The restrictions are now written into the Constitution. What the gentleman's amendment would do is to deprive the President of his powers as the Commander in Chief, which is set up by the Constitution as a power equally with the Congress' powers. The defect of the gentleman's amendment is that it seeks on an appropriation bill to deprive the President of his constitutional power.

Mr. COUDERT. Was the gentleman in this House in June 1950—I think he was—when the American forces were sent to Korea? Was the Congress consulted? Was the gentleman given an opportunity, or any one of us, to say whether we should do so?

Mr. JAVITS. The Congress that same day could have stopped the President from doing it, if it wanted to, by resolution. Also the general opinion at that time was that, if he had asked authority of Congress, the Congress would have

given it to him that day.

Mr. COUDERT. Mr. Chairman, I am not going to prolong this any further. The issue is very simple. It is a matter for Members to answer each according to his own conscientious convictions. It is obvious that as of today, under the circumstances of today, there is a definite loophole in our system of operation. The President has the power, for all practical purposes, without limitationand that was demonstrated in June 1950-to commit the United States to unlimited war without sending one word to this Capitol or stepping up here himself or asking for any action from us. For all practical purposes that is totalitarian power. It may be that in the case of the present incumbent, for whom I have the greatest admiration, he will observe the traditional division of powers and the traditional war or peacemaking authority under the Constitution of this body in which we sit.

The CHAIRMAN. The time of the gentleman from New York has expired. (By unanimous consent, Mr. COUDERT was granted 1 additional minute.)

Mr. COUDERT. The fact that this President recognizes the situation, the traditional division of power and the traditional functions of the Executive and Congress, is no reason for not incorporating into law something that will prevent any future President from violating such traditions.

We are living in a world of tyranny; we are living in a world of flux and change, and there is nothing more important for us than to keep alive our representative institutions, our institutions of free government; and I deem that some such limitation as this must be written into our laws to protect the very existence of Congress as part of the governing body of the United States.

Mr. WIGGLESWORTH. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I regret very much that the pending amendment has been offered at this time.

I am opposed to it first because I think it is entirely unnecessary; secondly, because I think it has possibilities of producing far-reaching consequences at this critical moment in the world's history.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield.

Mr. VORYS. Did the gentleman from New York ever offer this amendment to the great Appropriations Committee when this bill was under consideration? Mr. WIGGLESWORTH. It was never offered before the bill came to the floor of the House.

Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I will yield briefly, but I would like to make a statement. The gentleman has had 16 minutes.

Mr. COUDERT. It is in connection with the statement just made.

Mr. WIGGLESWORTH. I yield.

Mr. COUDERT. Did not the gentleman from New York advise the Appropriations Committee on Monday that he intended to introduce this amendment?

Mr. WIGGLESWORTH. He did, but that was not the question which the gentleman from Ohio asked.

However the author of this amendment may construe it, the important thing is how it may be construed by those in other lands at this critical time in which we are living.

In my judgment the adoption of this amendment could handicap our negotiators overseas.

In my judgment it could be construed as a sign of weakness on the part of the American Government.

In my judgment it could be construed as lack of support of the President of the United States.

In my judgment it could be construed as an invitation to further aggression in Indochina.

It was not so many years ago that a statement was made by our Secretary of State, Secretary Acheson, in respect to the interest of this country in the Far East. However, Secretary Acheson may have construed that statement, it was apparently construed in the Far East as a declaration of lack of interest in Korea, or as an invitation, if you will, to move into Korea.

In any event, shortly after the statement, war broke out in Korea with all the suffering which it entailed.

Surely this House does not want to take any action at this time which might be construed in a similar way in the light of that experience.

Reference has been made to the point of view of the President in regard to involving this country in war.

I hold in my hand an extract from his press and radio conference of March 10, from which I quote as follows:

QUESTION. Mr. President, Senator STENNIS said yesterday that we were in danger of becoming involved in World War III in Indochina because of the Air Force technicians there. What will we do if one of those men is captured or killed?

The PRESIDENT. I will say this: There is going to be no involvement of America in war unless it is a result of the constitutional process that is placed upon Congress to declare it. Now, let us have that clear. And that is the answer.

On today's news ticker it appears that in a press conference this morning referring to the specific proposal before us at this time, the President made the following statement:

The President called it "an artificial restriction which could not fail to damage the flexibility needed by a Chief Executive to deal with a fluid international situation."

As for the prospects of this country becoming involved in combat in Indochina, the President repeated that the United States will not get into a war except through a declaration of war by Congress.

I repeat, Mr. Chairman, this amendment is entirely unnecessary. The Constitution places the war declaring power in our hands. The President of the United States recognizes that fact and has stated repeatedly that he intends to abide by it.

I hope most sincerely that the committee will take no action at this time which could be misconstrued abroad and thereby jeopardize the peaceful attainment of objectives vital to America and to the entire free world.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. WIGGLESWORTH. I yield to the gentleman from Indiana.

Mr. HALLECK. Of course, it is impossible for anyone upon brief examination of this amendment in the time we have to envision all of the circumstances that might arise; but in my questioning of the gentleman from New York on the effect of the amendment, I asked him if this amendment were adopted and an attack was made on our

naval vessels on the high seas, whether or not it could be repelled by them at that time. He did not deny that possibility. All I ask you to do is to read the language. It says:

In the event of an attack on the United States or its Territories or possessions—

That is a geographical limitation. Clearly under that language, as I said before, if our naval vessels on the high seas were attacked, this amendment would say to those men, our men, being where they have a right to be: You cannot shoot back.

I certainly do not want to support that kind of an amendment.

Mr. REED of New York. Mr. Chairman, I move to strike out the last word.
Mr. COUDERT. Mr. Chairman, will the gentleman yield?

Mr. REED of New York. I yield to the gentleman from New York.

Mr. COUDERT. I would like to ask the gentleman from Indiana if he would accept my amendment if there were added to "attack on the United States, its Territories, or possessions" the phrase "troops, ships, or airplanes of the Armed Forces of the United States"?

Mr. HALLECK. No, I would not, because it is full of other defects, in spite of what the gentleman says. Our troops are on Okinawa, and they could not defend themselves. If we do not have troops on Spanish bases now we will have and if they were attacked under this they could not defend themselves. I do not know how many other places there are where the effect of this amendment might be devastating. That ought to indicate, if nothing else, that this is a matter for careful consideration, if it is a matter for consideration at all, and that this is not the way to get at it.

Mr. REED of New York. Mr. Chairman, it is not a pleasant thing for a person who has served for years in this

House to take what appears to be from the expressions here the unpopular side of a piece of legislation. But I am not afraid to follow my convictions.

Mr. Chairman, I support the amendment offered by the gentleman from New York. The President has repeatedly said that there could be no greater tragedy than getting our troops involved in the war in Indochina. However, the need for the amendment offered by the gentleman from New York is clear because the Vice President recently stated that he thought that our boys might have to be sent into the jungles of Indochina to support the French.

The time has come to serve notice on the rest of the world that the American people are going to stop being suckers. The main reason for the war in Indochina is the determined attempts of the French to impose French rule on that unfortunate land. It is interesting to note that the French have gotten us to assume over 80 percent of the cost of the Indochina war, even though the French only spend 11.1 percent of their national income for defense purposes, while we are required to spend 14 percent of our national income for defense, exclusive of the staggering billions that we spend on foreign economic aid. French taxes are far lower than American taxes. In France a married man with one child earning \$3,000 a year pays only \$82.50 in income taxes, whereas in this country he would pay \$180 in Federal income taxes alone. The French have been fighting gallantly at Dien Bien Phu. However, the French have made it clear by law that no French draftee can be sent to Indochina. Of course, the French are anxious to get American boys into the fighting, and the Vice President apparently agrees with them under certain circumstances.

If the Vice President has his way, and the American boys are sent to Indochina, it will not be long before we are carrying the whole brunt of the fighting as

we did in Korea.

If it is proper for the French to provide by law that their draftees cannot be sent to fight in Indochina, certainly it is the clear duty of this Congress to insist that our American boys have the

same protection.
Mr. Chairman, I have absolute confidence in President Eisenhower. I figure that he will carry out his promises specifically. I do not worry about that, but I hope to God nothing happens to our President, for the good of America. But, changes can come, and we can just as well spell out through this amendment our constitutional prerogatives. It is the function of the Congress to act on all these war matters. It is a matter that involves thousands upon thousands of our boys, a matter affecting every home in America, a matter which might eventually lead us into bankruptcy. The people under our Constitution were supposed to have the last say in those vital matters. So, I stand here as an unpopular Member of this House in support of this amendment.

Mr. VORYS. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, by unanimous vote of the Committee on Foreign Affairs this morning, when we had a brief opportunity to consider this amendment, I was designated by the chairman to point out to the House that this amendment is, in practical effect, important legislation on an appropriation bill, legislation of the type which comes under the jurisdiction of the Committee on Foreign Affairs, and that this type of legislation is now under consideration in our committee.

Mr. Chairman, under the Reorganization Act, the Committee on Foreign Af-

fairs is charged with-

1. Relations of the United States with foreign nations generally. 7. Intervention abroad and declarations of

The wording of this amendment dem-

onstrates the need for committee consideration on a matter of such transcendent momentous importance.

As a practical limitation on the President's powers now, if someone distrusts President Eisenhower, this amendment is completely ineffective because it does not apply until funds are expended in fiscal 1955, and therefore it would be no restraint upon the troops now in being which are already equipped and being paid out of existing funds.

But, as a sense resolution now, which is all it can be at this time, it does not make sense. The author had to get up here and say that it did not mean what it said and offered to doctor it up on the floor of this House. I beg of you to realize that the proper way to consider a matter of this moment is through the ordinary legislative procedure of consideration in the legislative committee or in the Committee on Appropriations. This has had no such consideration.

I say this does not make sense. Telegraphing your punch is bad, but telegraphing your enemy in advance that you are not going to punch is worse. Three times we have done that in the past 38 years, and each time that sort of policy has been followed by war. In 1917 a President was inaugurated on the basis that he kept us out of war, and we got into World War I. In 1941 a President was inaugurated who said again and again and again the boys would not fight on foreign shores, and we went into World War II. In 1950 our Secretary of State said in January that Korea was not within our defense perimeter, and in June our troops were in there fighting. Will we never learn to do what President Monroe did in 1823? He laid down in polite diplomatic language in the Monroe Doctrine-and the threat then was not so much from Europe but from Russia-that any more attempts by outsiders to take over territory in this hemisphere might mean that someone would get into war with us. As a result of that plain statement we have never had to defend the Monroe Doctrine by war.
What does "armed conflict" mean as

used in this present amendment? looked in the United States Code index and this phrase is not there. It has been invented for legislative purposes by the gentleman from New York [Mr. Cou-DERT]. So I looked up "conflict" in Webster's Dictionary; and, among other things, it means "a fight, a battle," "competition or opposing action of incompatibles," "a collision, a clash."

Therefore, as has been pointed out, on Formosa, in Spain, in Korea, in many places around the world where we now have bases and troops, but where we do not have treaties of mutual aid, if bandits or guerrillas attacked one of our soldiers, he would have to look on his ammunition to see if it came out of fiscal year 1955 appropriations before he would know whether he could defend himself. If, in the United States. a dangerous fugitive prisoner was trying to escape, an MP would have to look on his shoes to see whether they were fiscal 1955 issue or not, to know whether he could run after him and arrest him, because there would be danger of armed conflict there, a clash of some kind.

I suggest that in this matter, instead of relying upon General COUDERT, the gentleman from New York, who comes down here to share his wisdom with us in military matters from time to time, this would be the time when it would be wise to rely upon General Eisenhower, President Eisenhower, who has declared his purpose to the country and to the Congress, and not let him down, and not let our negotiators down in Geneva and all over the world, and not invite conflict by trying to tell our enemies where it is we are not going to fight this time.

Mr. BARDEN. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, today is not the first time I have thought of the pending subject. I recall very distinctly during the Korean war making a statement in the well of this House that the Congress of the United States should be made acquainted with all of the facts connected with the Korean situation, and the Congress of the United States should declare war on somebody and fight an objective war or get out of Korea.

It has never been a pleasant duty to vote to declare war. No man with normal good sense desires any opportunity to vote to declare war. But no man worthy of his salt or worthy of sitting on the floor of this House should run from this unpleasant responsibility if the duty should happen to fall upon him.

I do not regard this as a perfect amendment. But this is the first time an opportunity has presented itself to do something that would revive once more that very clear-cut, concise language in the Constitution which says that Congress and only Congress should have the power to declare war and thereby commit this Nation to war. And yet this body sat for 3 long years and witnessed thousands and thousands of boys dying, and everyone was very willing and ready then to say, "I did not start it. I did not vote for that war." Which was true, but the sad truth about the situation was that it was first called police action. Then an undeclared war. But regardless of what it was called, it went on and on. When I made the statement that we should take some definite action

on the declaration of war, three-fourths of this House stood on their feet and cheered. That was not for me, that was because the majority of the Members on this floor felt that some definite action should be taken.

We are not placing any limitation upon the President that is not clearly written in the Constitution of the United States. I was in World War I. Then we accused the Kaiser of starting that war, and after the Kaiser's hide we went. In World War II it was Hitler, and after Hitler's hide we went. Then we ran up against the Korean situation. I do not know that anybody yet has definitely determined who started the Korean situation, but bloody fighting resulting in over 125,000 casualties went on for 3 years. The Congress of the United States was never called upon to declare war nor did we on our own initiative. The Commander in Chief committed our Armed Forces and in that situation there was nothing we could do but supply them.

I am not discussing the merits of it, I am not saying we should not have gone into Korea or that we should have, I am saying the Congress of the United States should have determined whether we were at war or not and then provided for all-out prosecution of it. That is exactly what our Founding Fathers intended when the Constitution was written.

I was in this body when the attack that started World War II came on December 7 so far as the United States of America was concerned. Within less than 24 hours we, the Congress, if you please, declared war on almost half this earth, and went at it. Then you say it is a limitation upon the powers of the President to repeat the language and expressed intent of the Constitution.

I say to my good friend to accept the precedent set by the President of the United States in the Korean situation as the existing law which would imply that the President now has the same power and God knows that is more power than a bad man should have and more power than a good man should want. The language in the Constitution should never have been questioned in the first place. It is a sad hour that after 150 years of existence of the greatest nation on God's earth, the finest government and best directed, that the clause in the Constitution which says only Congress shall declare war should now come up for either watering down, changing, or reinforcing.

I have the greatest respect for my friend from New York [Mr. REED]. have seen him take the "gaff" before. Even when I think he is wrong I admire him, because he does not mind taking the "gaff" on any matter about which he has conscientious convictions. So far as I am concerned, I am proud to be in his ranks for I too have some very strong convictions on this subject.

I would not vouch for the accuracy of the amendment. I do not desire to be dubbed, as the gentleman from Ohio [Mr. Vorys] referred to the gentleman from New York, as General Barden. I have no ambitions in that direction at all. But I do say this, that I have confi-

dence in the President of the United States, yes. I had confidence in the Democratic Presidents and I have confidence in the Republican President, but I am not willing to place all of that power in any President's hands and I do not care where he comes from or what party he belongs to. War is something the United States Congress should pass upon and not just one man.

If the amendment needs changing in some detail, why do not the gentleman from Indiana and the others who seem to be so interested in defeating it lend their attention and their efforts to the correction of it between now and the time it may go through the Senate and come back in the conference report? The gentleman has no reluctance in doing that with other things.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. BARDEN. I yield. Mr. HALLECK. I did not know of the existence of this amendment or that it would be offered until I read about it in the papers. There are so many defects in it, as I said before, that are obvious even upon the most brief examination that again, I say, this is no time to undertake to perfect it or write it. As a matter of fact, this amendment should be voted down, and if there is something here that should be looked into, then let the proper legislative committee look into it. Of course, the gentleman knows the constitutional provision with respect to a declaration of war. He has referred to it.

Mr. BARDEN. Yes, that has been in existence for 150 years.

Mr. HALLECK. That is right. I just happen to believe that we have a President of the United States who believes in the Constitution and I believe that he will follow the constitutional process. As a matter of fact, if the President did not elect to follow the constitutional process, possibly he would not elect to follow any statute either. In my book, that is beside the point. The point I am making is fundamentally that this sort of action is not necessary at this time in the light of existing circumstances, and it can do more harm than good. Beyond that it is so drafted that it is full of errors and full of deficiencies and could well involve us in many serious and disastrous consequences.

(Mr. BARDEN asked and was given permission to proceed for 3 additional minutes.)

Mr. BARDEN. Mr. Chairman, let me say that the gentleman has no monopoly in his admiration for and confidence in the President of the United States. He is my President. I like him personally and I like him officially. I have great confidence in the President of the United States. That issue is not on trial here. I have had great confidence in other Presidents. The gentleman has been pretty critical about what has happened in the past 4 years, in Korea, and many, many others on his side of the aisle, and many of us resolved if the occasion ever presented itself that we would do something about it. Here is where we are. The money bill is the only place that we can do anything about this. We have

found that out in recent years. The money bill is the only place that you can do anything whatever about it. For after troops are committed and the war is on. just cutting off money and supplies is simply not practical. The gentleman knows that just as well as I do and yet he says it is not the right way to do it. The gentleman says it may have a bad effect in foreign countries. If we write it into the law that this country shall not be hurled into war by 1 man or any 2 men or 3 men, does that have any more disastrous effect than what the President himself has declared? The President himself has declared to the world, "No. this country is not going into war except upon the vote of the Congress of the United States."

Has that had any bad effect over the rest of the world? I am just getting to this point, Mr. Chairman. It hurts me to be asked a thousand questions about Indochina and about when our boys are going to war and every day they are dragging them out of the colleges and off the farms and out of the shops and putting them in uniform; they see a blast in the newspapers either from the Vice President, or the President, or Secretary Dulles, or some free-lance writer, and I tell you, sir, the American people are confused on this question of war and who has the right to start one, make no mistake about that. They want to know what is going on and what can happen, if you go by the past, anything can happen. I have no reluctance in saying to you that there should be a clarification of this supposed power and the sooner the better. I would not swear that this is a proper amendment, but the gentlemen who have the responsibility of writing this legislation could, in my opinion, well afford to lend their brains, their time, and intelligence to help work out the answer if they wanted it. But the thing that disturbs me is that we must now continue to exist on rumors and speculate whether or not we will wake up some morning in an undeclared war. I do not know what Secretary Dulles has promised anybody. I do not know whether or not our men are dying in Indochina right now. I understand that one airman was killed by ground fire there this week. The papers said so, and it is fast getting to the point that that is about the only place Congress can get news bearing on our foreign relations. I am tired of finding out what my Government is going to do and where we are going to fight a war next from a newspaper that is written by somebody who assumes that a certain other person intended to say so and so. If that is the way you want to continue, all right, but personally I cannot take it and I will not hesitate to express myself on a subject so vital to my country and to my people.

(Mr. DAVIS of Georgia asked and was given permission to revise and extend his remarks at this point.)

Mr. DAVIS of Georgia. Mr. Chairman, the amendment offered by the gentleman from New York [Mr. COUDERT] raises a question which cannot be disposed of hastily or carelessly.

I have a high regard for the patriotism, the integrity, and the ability of the gentleman from New York, the author of the amendment. His record in the House of Representatives demonstrates that he is a tireless and courageous worker for constitutional government, and I am confident that in offering this amendment he is moved by a sincere desire to do his duty to his Government and to the American people.

As I understand his amendment, the substantial effect of it would be to prevent our Armed Forces from engaging in armed conflict anywhere in the world, unless Congress had previously issued a declaration of war. An exception would be made in the case of an attack upon the United States or an attack upon any nation with which our Government has a mutual defense or security treaty.

At first blush, it would appear that this amendment follows that provision of our Constitution which places in Congress the authority to declare war. It would apparently go beyond the constitutional provision by excluding from its trophibition an attack upon us or an attack upon a nation with which our Government has a mutual defense or

security treaty.

I think it is essential that the provisions of our Constitution be observed by every department of our Government—executive, legislative, and judicial. In that connection, I have noticed in recent years—and have protested against it—that the executive department and the judicial department have both encroached upon the legislative department. In every instance, such encroachment weakens our form of government and tends to destroy the rights and liberties which our Constitution was designed and intended to safeguard and preserve.

Under our Constitution it is the function of Congress to levy and collect the taxes necessary to provide for the common defense, to raise and support armies, to provide and maintain a navy, and to declare war. These powers are expressly given to Congress in section 8 of article I of the Constitution.

The President is not given authority to declare war, although the Constitution makes him the Commander in Chief of the Army and Navy and of the militia when called into Federal service.

It is the duty of the President, and he takes an oath so to do, to preserve, protect, and defend the Constitution. Certainly one of his duties in that respect is to refrain from usurping congressional functions, one of which is the declaration of war.

The President has said that he will not plunge America into war unless Congress, in the exercise of its constitutional power, declares war. That statement is gratifying, and I know has given comfort to the people of the United States as discussion has increased regarding the prospect of our being drawn into the Indochinese war. However, although the President may live up to that statement that he will not plunge this country into war, unless Congress in the exercise of its constitutional power declares war, it would be difficult for Con-

gress to refuse to declare war if the President and the Secretary of State commit our Government to fight, and the President, under such commitment, calls upon Congress to declare war.

As I stated on the floor of this House on April 13, it begins to look dangerously like the American people are now being conditioned and readied for such an eventuality.

Again I want to point out, as I did on that date, that at this moment, the principal objective of our Government should be to prevent our being taken into an Asiatic war through the back door. If we have to fight another war, and again I say may Almighty God forbid such a calamity, but if we do have to fight another war, we ourselves should select the time, the place, and the opponent, and we should not permit ourselves to be made a victim of the plan and scheme of the Communists to bleed ourselves white and exhaust our resources of manpower and materials fighting wars which have been planned by Russia and her Communist satellites for that very purpose.

Mr. Chairman, I adhere firmly to the position that we should engage in no war except such as may begin constitutionally with a declaration of war by Congress. I sincerely hope that the President will live up to his constitutional obligation and his promise not to plunge us into war unless Congress shall first, under the Constitution, declare war.

However, I do not think that this is a subject upon which legislation should be enacted in the manner proposed, namely, by an amendment attached to an appropriation bill.

Legislation of this nature should be carefully considered by the appropriate committee, where adequate hearings can be held and where appropriate witnesses can be called before the committee to give necessary information. It is for these reasons that I will vote against this amendment.

My vote against it is in no sense an indication that I believe the President has any constitutional right to declare war. Neither is it any indication that I believe the Constitution should be ignored or disregarded. I believe the Constitution should be strictly observed by the President, by Congress, and by the Supreme Court. If it is to be changed in any way, it should be changed in the method which the Constitution itself provides for. Until and unless it is so changed, it should be strictly observed.

I vote against this amendment merely because I believe it should first be considered by the appropriate committee, and one of the questions to be considered by such committee is whether, in view of the definite provisions in our Constitution, there is any need at all for such provision to be enacted by Congress.

(Mr. FEIGHAN asked and was given permission to extend his remarks in the RECORD.)

[Mr. FEIGHAN's remarks will appear hereafter in the Appendix.]

Mr. CANNON. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, the House is indebted to the gentleman from New York [Mr. Coudert] for raising this question. He has rendered a service to the Congress and the country by giving us an opportunity to pass on the proposal embodied in this amendment.

There is a school of thought in this country which has long advocated this measure. Resolutions have been drafted and bills have been introduced and constitutional amendments have been proposed and it should be disposed of here today. Its advocates constitute a small minority but it is a vocal minority and the atmosphere should be cleared. Unequivocal notice should be served both at home and abroad as to what the attitude of the Congress and the American people is on this question.

We must concede that while a democratic form of government is the best and most successful form of government in the world in time of peace, it is at a disadvantage in time of war. All democratic processes require time, and in that time the golden opportunity to act may pass. There must be someone in authority to act in an emergency, as there has been in 160 years of our national life.

You will remember that in the golden days of the Roman Republic they defended vigorously their freedom and their rights under their democratic government, but in time of war they completely abrogated the democratic control of the government to a dictatorship. They selected one man and placed in that one man supreme authority. One of the most significant of all beautiful paintings in this buildings is the depiction of the Roman Senate conferring upon Cincinnatus standing beside his plough supreme authority in a time of danger to the Republic.

This amendment is of course wholly inmpracticable and indefensible. Of all the Presidents, from George Washington to General Eisenhower, there has never been an Executive in whom we could not place confidence. There has never been an instance in American history in which this amendment, had it been in force at the time, could have served the best interests of the country and the American people. We not only have the most complete and abiding confidence in President Eisenhower—in his ability, his integrity, his patriotism, but we cannot conceive of the election of any man to that supreme office, in whom we could not place that same confidence.

Mr. Chairman, I trust that this amend will be defeated and that it will be defeated so decisively that the question will never be again raised, either on this floor or in the press, or in any other forum of the Republic.

Mr. WIGGLESWORTH. Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close at 5:30 o'clock.

The CHAIRMAN. Is there objection to the request of the gentleman from Massachusetts?

Mr. SMITH of Wisconsin. Mr. Chairman, I object.

Mr. WIGGLESWORTH. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close at 5:35 o'clock.

The CHAIRMAN. The question is on

the motion.

The motion was agreed to.

The CHAIRMAN. The time will be divided equally among the Members standing and will amount to about 1¼ minutes apiece.

The gentleman from Georgia IMr.

WHEELER] is recognized.

(Mr. WHEELER asked and was given permission to revise and extend his remarks.)

Mr. WHEELER. Mr. Chairman, I was, to put it mildly, amazed by the statement by the gentleman from Missouri IMr. Cannon! a few minutes ago when he said, in effect, that only a minority of the people of this country still support the Constitution of the United States.

I was also amazed at the suggestion by the gentleman from Indiana [Mr. HALLECK], when he implied that an attack on one of our naval or airships would not be construed as an attack upon

this country.

The whole argument of the opponents of this amendment has been predicated on the idea that we have some superman in the White House. This superman in the White House has repeatedly said that he agreed with this amendment. He may be a superman and he may have more braid on his britches than I have, but he puts his britches on in the morning just like I do. He is subject to the same human foibles and mistakes that I am. It is certainly true that the President is not expected to make as many mistakes as I would probably make, but the fact remains that he is human. The suggestion has been made with reference to the President that those of us who support the pending amendment do not trust the President. The truth of the matter is that I, for one, do not trust any human to whom is given unlimited power, and the defeat of this amendment will, in effect, be an invitation to the President to exercise unlimited power as has been done by some of his predecessors.

It is impossible for me to understand why all the argument against the proposed amendment when the President has repeatedly and recently stated that he would not commit this Nation to war without the express consent of the Congress, as provided in the Constitution. In face of this denial of any intent on the part of the President to ignore the Constitution, it is here argued that expediency might dictate a reversal of this position by the President in such a way as to send our boys to other Koreas all over the world. Suffice it to say on this score, that grievous hurt has been done to human freedom throughout the ages in the compelling name of expediency, and history records that repeated hurt done human freedom under the guise of expediency has resulted in its demise.

In conclusion, Mr. Chairman, with the forces arrayed here today against this amendment and with the obvious dis-

regard for the oath taken by many Members who have sworn to protect and defend the Constitution, there seems little question that the amendment will be defeated. If such defeat comes and the President decides to commit our forces to war, God forbid that such commitment be made under circumstances attendant to Korea where we were not allowed to win.

The CHAIRMAN. The Chair recognizes the gentleman from Texas [Mr. DIES].

Mr. DIES. Mr. Chairman, I yield my time to someone more anxious to speak than I.

The CHAIRMAN. The Chair recognizes the gentleman from Wisconsin [Mr. Smith].

(By unanimous consent, Mr. COUDERT and Mr. Gross yielded their time to the gentleman from Wisconsin.)

(Mr. GROSS asked and was given permission to extend his remarks at this point in the RECORD.)

[Mr. GROSS' remarks will appear hereafter in the Appendix.]

[Mr. SMITH of Wisconsin addressed the Committee. His remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from Illinois [Mr. MASON].

Mr. MASON. Mr. Chairman, this amendment in essence has been before the Congress for more than 3 years. I have had a similar resolution that has been dropped into the hopper and has been before the Congress since a year ago last January. This is not anything new. But under the situation that we face, this is the only way we can get this thing considered on the floor of the House. I say that it should not be here as a rider on this appropriation bill, I say that I do not believe it should be, but this is the only way we can get it considered and have a vote on this thing. Therefore it was brought before you in this form.

(Mr. FINO asked and was given permission to extend his remarks at this point in the Record.)

[Mr. FINO'S remarks will appear hereafter in the Appendix.]

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Javits].

(Mr. JAVITS asked and was given permission to revise and extend his remarks.)

Mr. JAVITS. Mr. Chairman, there is yet another critical defect in this amendment and I would like to state it in a very considered way.

This is in effect an amendment to have big atomic and hydrogen mass wars, not just brush-fire engagements if need be. It says that any time we may consider it in our essential national security interest to repel aggression in some place or to have our troops defend themselves against an armed attack, the Congress has got to declare war.

This is an idea of the very same progeny as of those who did not like our defending against aggression in Korea yet who wanted us to bomb Peiping and

Moscow which would have gotten us into a much bigger war.

The very flexibility which the Constitution gave us, where the President is the Commander in Chief, and only the Congress can declare war, carried out under the terms, intent, and spirit of our Constitution, has been our safeguard during the whole history of our country. This amendment would destroy that very balance which has worked for all these generations, and the real end of this amendment would be that every time Congress is called upon to declare war, to put out a brush fire, then sure as shooting the first time that occurs, atomic or hydrogen war will come, which is just exactly what we do not want.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr. Keating].

Mr. KEATING. Mr. Chairman, if called upon to vote today, with the information and evidence available to me, I could not support a move to send our troops into armed conflict in Indonesia or anywhere else in the world. Yet that does not mean that I favor this amendment presented by the gentleman from New York [Mr. Coudert]. Indeed, I am emphatically opposed to this amendment. However it may be motivated by its sponsor, whose high purpose and good faith I in no way impugn, it is dangerous in the extreme because of its effect both upon our friends and our potential enemies, most seriously the latter.

The men in the Kremlin look to us for any sign of weakness or division. This amendment, plausible as it may be on its face, will be construed as a sign of weakness, not of strength. The proposal is far more likely to lead toward war than

away from war.

It is bound to be interpreted in the first place as an indication of a lack of confidence on the part of this Congress in our Chief Executive. President Eisenhower has said time and time again that he would not commit our troops to war without first obtaining congressional approval. I believe him, but what is far more important, I want the world to know that I believe him. I want the world to know that the executive and legislative branches of our great Government stand as one, that there is an unlimited mutual confidence, each in the other, in determination to meet unitedly any challenge or attack.

Adoption of this amendment would be construed as a formal declaration by the people's representatives that they are unsympathetic with the effort to resist by the united action of the free nations Communist aggression which threatens our national security. Certainly it would be the height of folly to inform any potential enemy in advance that we will not at all or will be slow to repel his attacks. Such an attitude, with the unscrupulous forces unleashed in the world today, is the sure road to war, not peace.

The passage of this amendment would be a devastating blow to our negotiators now meeting in Geneva, attempting to handle most delicate and intricate problems. As responsible legislators, we have no right thus to torpedo their efforts. There are fatal defects in the language of the amendment. The concessions offered by the gentleman from New York indicate his recognition of the deficiencies inherent in its language. For that reason alone, it should of course be defeated. But my basic objections go deeper than that. It is tragically ill-timed, ill-advised, and highly dangerous. It should be decisively defeated.

(Mr. CONDON asked and was given

(Mr. CONDON asked and was given permission to extend his remarks at this

point in the RECORD.)

Mr. CONDON. Mr. Chairman, I rise to support the amendment of the gentleman from New York [Mr. COUDERT].

I think I recognize as well as any Member of this body the extremely delicate situation which our country faces in its relations with other nations throughout the world. I know that the Geneva Conference is now going on. I know that there may be some hope of reaching an agreement at this Conference which will lessen the terrific tensions now existing throughout the globe.

I feel, however, in view of the recent statement made by a responsible member of the administration, the Vice President, that American troops may be involved in Indochina; this is, in itself, a sufficient warrant to pass the Coudert amendment. Obviously the Vice President was not speaking carelessly or without sanction from the administration. He is a member of the National Security Council and is fully privy to all our military plans and calculations. I, for one, will not allow the President, without protest, to have the untrammeled right to plunge us into war. The duty to declare war is lodged by the Constitution in the Congress. As I read this amendment, it merely confirms that which the Constitution attempted to insure.

I know there is great apprehension among the people of my district that we may somehow be pushed into the hopeless morass of Indochina. This apprehension goes still further; that if this step is taken, we may quickly become involved in the all-out horror of world war A.U. Even if those terrible devices of destruction, the atom and hydrogen bombs, are not used, world war III would undoubtedly mean our destruction. I am firmly convinced that before we skirt on the edges of world war III, the combined judgment of the men and women in the Congress of the United States should,

and must, be consulted.

(Mr. POWELL asked and was given permission to extend his remarks at this

point in the RECORD.)

Mr. POWELL. Mr. Chairman, I want to thank my colleague, the gentleman from New York [Mr. Coudent] for offering this amendment because it gives me an opportunity to register an emphatic protest which I would not otherwise be able to do.

For the 10 years that I have been a Member of this House of Representatives I have consistently voted against appropriations for the Armed Services because of the policy of segregation carried forward by our Armed Forces. I am extremely pleased, therefore, to stand here today and to announce with a clear

conscience that I can vote for appropriations for the Defense Department of our Nation. In stating this I know I am stating the feelings of not only the 15 million peoples of my race, the Negro race, but also the scores of millions of right-thinking Americans who know that you cannot have a first-class army of democracy as long as any portion of it is composed of second-class citizens. day, there is not a single segregated arm of our Defense Department. The last segregated unit in the Army was abolished within the past few days. On February 24, I presented charges to the Secretary of Defense, Mr. Wilson, that Negroes were rigidly "Jim Crow'ed," segregated, and discriminated against at the United States Military Academy at West Point, N. Y., where there was an all-Negro cadet mess detachment serving as waiters and dishwashers for the cadets. I want to congratulate Mr. Wilson and Mr. Stevens, the Secretary of the Army, for immediate reply and prompt action and I would like to read the letter dated April 9, 1954, from Mr. T. A. Young, Mr. Stevens' special assistant.

DEFARTMENT OF THE ARMY,
OFFICE OF THE SECRETARY OF THE ARMY,
Washington D. C., April 9, 1954.

Hon. Adam Clayton Powell, Jr., House of Representatives.

DEAR MR. Powell: I am replying to your letter of March 31 concerning further developments of the integration in the mess detachment of the 1802d Special Regiment of the United States Military Academy at West Point.

'As you were previously advised, the Department is taking necessary steps to achieve a degree of integration in the mess detachment of the 1802d Special Regiment comparable to that attained in other Army units by replacement of a sufficient number of Negro soldiers presently assign to the unit, with Caucasian personnel. As it was necessary to place a levy against the Continental Army Commands to obtain the required personnel, it is anticipated that a reasonable period of time will elapse before this in-tegration is completed. On March 24, 1954, instructions were issued to the Commanding Generals of the First and Second Armies to procure approximately 40 individuals for assignment as replacements in the mess detachment at the Military Academy as the initial step in attaining the degree of integration desired. Individuals so assigned are to be volunteers. Upon receipt of your most recent communication, an inquiry was made to these field commanders to determine the status of the request for personnel. It was learned that they, in turn, had issued instructions to their various installations and unit commanders directing the procurement of the desired personnel.

A report at this time concerning the

A report at this time concerning the procurement of the desired personnel would be incomplete inasmuch as sufficient time has not yet elapsed between the date of the Department of the Army instructions to the field commanders and the date of this letter. I feel sure, however, that by no later than the end of this month, I will be in a position to furnish you with a more comprehensive report and perhaps will be able to advise you that some of the required personnel have reported for duty with the mess detachment of the 1802d Special Regiment. You may expect a further report at that time,

With regard to your acceptance of my invitation to visit West Point, I have asked that the Office of the Chief of Legislative Liaison, Department of the Army, contact

your office to work out details regarding the date of your visit and your transportation.

In the interim, I trust the information I have been able to furnish, although not conclusive, will assist you in keeping abreast of the situation as it develops.

With highest personal regards, I am Sincerely yours,

T. A. Young,
Special Assistant to the Secretary of
the Army.

However, I do want to register a protest against the sending of any of our fighting men to Indochina or any portion of Southeast Asia as long as present conditions continue to exist. Coudert motion allows me this opportunity. If we send United States forces to Indochina, we will be sending them there not so much to stop communism but to preserve French colonialism. I stated this in my last Sunday morning's serman and was happy to read in the Monday newspapers a similar statement by the Ambassador from Burma to the United States. I was very happy to learn this afternoon that negotiations prompted by the United States are being concluded between France and the three independent states of Indochina to give them autonomy but I am withholding all comment until I hear what the peoples of those countries have to say themselves. When the native people of Indochina, through their own representatives, state that they are satisfied with the agreement presented to them by the French Government then and only then do I believe that the United States Armed Forces should be used. Further, the United States Armed Forces must never be used in any such conflict unless they are a part of the United Nations forces.

To send 1 single soldier, 1 single bullet, 1 single plane to Indochina would be a complete reversal of every concept and precept of our Founding Fathers. It would destroy all progress of democracy, both as a principle and as a practice.

Yes; communism must be defeated, but it must not be defeated by colonialism. It must be defeated by free men. I therefore support the Coudert amendment as a protest against sending American troops to preserve colonialism with the hope that with its passage, we here in the House will be able in future days to vote against any combat, whether war or police action, which will not further the concepts of democracy but will only preserve the status quo of yesterday's world of imperialism.

(Mr. PRICE, Mr. GREEN, and Mr. BYRNE of Pennsylvania asked and were given permission to yield the time al-

lotted them to Mr. Dopp.)

The CHAIRMAN. The Chair recognizes the gentleman from Connecticut IMr. Doppl.

Mr. DODD. Mr. Chairman, I am very grateful for these generous offers of time. I will not take all of it, because what I have to say will not take anywhere near that amount of time.

Mr. Chairman, I would like to make 1 or 2 observations. Some people around here ought to have some sense of time and of the propriety of things. I think this amendment may have great

merit as a matter of constitutional law, but it should be offered at another time. It seems to me that in the position in which we find ourselves at this hour, with Mr. Dulles in Geneva, with the explosive Indochina situation as it is, we have no business passing an amendment of this nature. I do not like arguments about great faith in individuals. I like the President, and I have confidence in him. But if there is a good question here of constitutional law we should at the right time consider it as a question of law and not of men. If the Members really feel deeply about it, there will be a right and a better time to discuss it, but my point is that this is a poor time and I feel we ought to turn it down now. I think we ought to tell the rest of the world that we are standing behind Mr. Dulles and we are standing behind the President of the United States, and that there is not the division in this country that some people would like to believe there is. we do this we will all be better off.

(Mr. WIGGLESWORTH asked and was given permission to yield the time

allotted him to Mr. Jupp.)

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota

[Mr. Jupp].

Mr. JUDD. Mr. Chairman, if passing this amendment would keep us out of war, every single person would be for it. But we have to examine what the actual, practical effects would be. In fact, it would weaken our position in the world and strengthen the enemy's and thereby encourage him to take further aggressive steps which would increase. not decrease, the danger of war. One day we would have to resist in order to stay free. That is why the amendment is mischievous. And to introduce it at this particular time makes it even more mischievous. As the gentleman from Connecticut [Mr. Donn] has so well said, this moment is of all times the worst to be enacting such an amendment. Passing it could do no good in preventing war and might do a lot of harm in encouraging action by the enemy which would lead to war.

We are standing at one of the watersheds of history. A crucial conference has just opened at Geneva. The Communists are united; the free nations are already too divided and wavering. For the Congress of the United States at this juncture to give anyone the impression, however unjustified, that we do not stand unitedly and firmly behind the efforts of our Government's representatives at Geneva to mobilize peoples throughout the world to get together against that which is a threat to the security of us all-if we were to do that, we might just as well call those representatives home and surrender the rest of Asia first as last. That, indeed, would lead to war.

I wonder why we so often imagine we can get peace by handcuffing ourselves. We do not tie the hands of the enemy; we just tie our own hands and imagine it will help to keep us out of war to announce officially what we will not do, so the enemy will be tempted to do the very things that you and I know we would then resist by war.

What is this resolution designed to do? I am sure its author hoped to do two things—one, to reduce the dangers of American involvement in war, and, two, reassure our people that the President is not going to get us into war without the authority of Congress, and that we, the people's representatives, are going to see that we carry out our constitutional responsibility in this all-important matter.

But let us look at the practical effect. If the amendment is passed, it makes more likely the war that it is designed to prevent, because it weakens our side and strengthens the enemy's side. It is completely self-defeating. On the other hand, if the amendment is defeated and we have no choice but to defeat it, since it has been introduced-it may disturb some of our own people by seeming to indicate that Congress is abdicating its powers and turning them over to the President carte blanche to take us into That is why the amendment is so mischievous. There is no way you can vote on this that does not make trouble for our country. That is why it should not have been introduced.

But, inasmuch as it is here at a moment when we face a shrewd and calculating mortal enemy, dedicated to our destruction, it seems to me the more we do not want war the more we must vote against this amendment. To pass it would be to tell the enemy, "Go ahead in Asia or elsewhere, America is uncertain and divided." That could lead the enemy to try even more aggressive acts which one day, since they would inevitably involve American security or even personnel, the Congress would vote to resist.

If you do not want war and you do not want American involvement in war, I beg of you not to pass this amendment. which would encourage and strengthen the very forces we are today voting some \$29 billion in this bill to resist. To spend all this money in order to increase our capacity to resist, and then to help destroy the will, not only of ourselves but of the one-third of the people of the world who are undivided, watching to see what America is going to do, would produce the opposite effect to that which we want. We will get peace from united strength and resolves, not from resolutions indicating indecision. What the world needs from America is leadership. not arrogant or truculent or chip-onthe-shoulder leadership, but steadfast, firm, consistent, dependable leadership in efforts to unite our people here in America and unite the peoples of free Europe and free Asia, and thereby prevent the war that we all want to avoid.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Wilson].

Mr. WILSON of California. Mr. Chairman, I ask unanimous consent that I may extend my remarks in the Record immediately following the vote on this amendment and to yield back the balance of my time to the gentleman from New York [Mr. Wainwright].

The CHAIRMAN. Without objection, the Chair recognizes the gentleman

from New York [Mr. WAINWRIGHT] for 3 minutes.

Mr. WAINWRIGHT. Mr. Chairman, this is the second time this year I have spoken on the floor of the House and each time it seems I have followed the distinguished gentleman from Minnesota [Mr. Judo] and my distinguished colleague from Connecticut [Mr. Donn].

There are only two points I see that I can add to this debate that have not been presented heretofore. The first one is that either the Coudert proposition is unconstitutional on its face, as a violation of the President's powers as Commander in Chfef, or it is unnecessary because the Constitution itself already has given the Congress the power to declare war. So why are we adding to it?

The second point I would like to make is that when the Constitution was framed in the late 1700's, 1786, the constitutional framers certainly did not contemplate atomic warfare, thermonuclear warfare, where one man must make the decision, or the Security Council must make the decision, in a minute or 2 minutes, or the decision must have been made beforehand, because we cannot have a congressional debate as to whether we shall send our troops in one direction or another direction.

The final thing, to add to what my friend from Connecticut has said, is that this seems to be most ill-timed, to arrive at the very moment when our Secretary of State is debating with the known enemy, yet we are tying his hands.

I say that the Congress of the United States should reject this amendment and show our Secretary of State where we stand.

The CHAIRMAN. The Chair recognizes the gentleman from California [Mr. Hinshaw].

Mr. HINSHAW. Mr. Chairman, as one who has had some experience in these matters, let me caution you that here you are dealing with questions relating to the balance of power. If you withdraw on our behalf that power to move in one direction or another as occasion demands, you stymie the efforts of the United States for peace.

I caution you to look at the record of 1914, 1915, and 1916, when we proclaimed that we would not go into a foreign war.

I caution you to look at the record of 1939, 1940, and the first part of 1941, similarly. We did not keep out of war because of vain pronouncements in relation to war. In fact, war started because we pronounced that we would not enter a foreign war and hence, we did not become the balance of power for peace. We threw the balance of power into the hands of the enemies of freedom. Let us not do it again. Let us not adopt this amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland [Mr. MILLER].

Mr. MILLER of Maryland. Mr. Chairman, it would be a very disastrous thing, in my opinion, to adopt this amendment at this time. It could only indicate an uncertainty or a weakness here at home at a time when our leaders

possible.

As pointed out by the gentleman from Ohio [Mr. Vorys], every time we have said we were not going to send our boys abroad to fight, usually it turned out the other way.

This is no time for vacillation. We do not know what would happen under this amendment if an attack were made on Formosa, if our ships were fired on at

One thing we have gained over the last few months is to obtain the initiative in this cold-war situation. It would be disastrous if any indication went abroad from this Chamber today that there is vacillation on the part of our American people, that there is any doubt of our intent to back up our leaders in this crucial moment in our history.

Mr. RHODES of Pennsylvania. Mr. Chairman, I am opposed to the Coudert amendment because I think, as others have also said, that it is not practical, it does not make sense and if adopted it would not be in the best interest of the United States. It would give advantage to our enemies and to the master minds of Communist world tyranny.

I am definitely opposed to any action that would involve us with ground troops in the jungle war in Indochina without the cooperation of the United Nations and the full cooperation of the free nations.

I am disturbed that the administration has not kept Congress and the people fully informed about Indochina and the part we are now playing in that conflict. We have technical forces there for the past year and are carrying a major part of the financial burden of the war. Many of us fear that we could be drawn into a full-scale war there without friends or allies.

The remarks of the Vice President a few weeks ago suggesting that we may have to go it alone should caution all of us against such a policy which I believe would be unwise and perhaps

However, I cannot accept the theory that the proposed amendment will be a safeguard in keeping us out of war. It could have the opposite effect after the potential enemy has gained many advantages and has strengthened his position by gaining ground by numerous aggressive acts and advances on a small scale without danger of involvement in a global war.

It has been said here that commitments and promises to keep the Nation out of war were made in the past but did not prevent our involvement later. We were informed of statements made prior to World War I, World War II, and the Korean conflict—promises not to go to war. We might add to that list of statements and promises made by the gentleman from Ohio [Mr. Vorys], the promise of General Eisenhower and others that we shall not fumble into another Korea. He said our sons would stay on the farms, the students in the schools. We were promised that we would not fall into the Communist trap of being nibbled into little wars all over the world. Despite such wild promises that have been made

need to be given as free a hand as and forgotten, I will not support an amendment which cannot possibly work and which would, in the long run, help only communism and the aggressors.

The CHAIRMAN. The Chair recognizes the gentleman from New York [Mr.

TABER] to close debate.

Mr. TABER. Mr. Chairman, to my mind this issue has been pretty well discussed. The amendment that has been offered is very dangerous. In the first place, it would prevent the governor of any State from calling out the militia and using them to quell a riot. In the second place, it would prevent our maintaining our position in Okinawa, Formosa, and Germany. In the third place, it would prevent our forces from replying if they were attacked individually. It is not only bad in that respect, that is, that it is badly drawn, but it will, as those have preceded me said, destroy the power of our representatives abroad. The President of the United States has made it plain on occasion after occasion that he does not intend to lead this Nation into war without a declaration by the Congress. There is no occasion for this amendment and it will cover so many things and embarrass us in so many ways that it is absolutely ridiculous for this Congress to vote for it. Furthermore, it will seriously impair the weight that can be given by other peoples to our representatives abroad who are trying to preserve peace and avoid a war with the Communists.

Mr. Chairman, I do not want myself to have the credit for having voted for something or fail to properly and to my full ability oppose something which I believe is dangerous and points the way toward trouble for the United States. I hope and believe that this Congress will meet its responsibility and at this time vote "no" upon this amendment.

The CHAIRMAN. The time of the gentleman has expired. All time has expired.

The question is on the amendment offered by the gentleman from New York [Mr. COUDERT].

The question was taken; and on a division (demanded by Mr. Coupert) there were-ayes 37, noes 214.

So the amendment was rejected.

Mr. WILSON of California. Mr. Chairman, I take this opportunity to commend the House Subcommittee on Military Appropriations for their elimination and liberalization of many of the restrictive riders that have previously hampered career personnel in one way or another. The elimination of riders that controlled voluntary retirement of Regular officers and promotions of all officers will be well received by the men and women of the services, who have felt the pinch of a progressive series of cutbacks and restrictions over the past

The forthright action by this committee is the first major reversal of the unfortunate policy of continued whittling away of recognized benefits. It signifies an awareness to the acute morale problems of the military services today.

Other steps that have been taken in

this bill that will be hailed by military people around the world include a liberalization of payment for shipment of household effects, educational benefits. and other privileges.

Additional action will be required of the Congress this session to provide adequate medical treatment of dependents, improvement in housing of military dependents, and a cost-of-living pay increase to bring the military back into line in comparison with other occupations.

We are spending \$28 billion on our military machine in this bill. Our military machine is only as good as the men who run it. Facing a crucial period in our national existence, we must have the assurance that the men and women on whom we must rely for protection of our country and its people are qualified, trained, and competent to defend us. With morale at the lowest ebb in recent times, and reenlistment rates the lowest of all times, we must be prepared to act swiftly to retain career military personnel now. This bill goes part of the way. It is up to Congress to find additional means for rebuilding military morale and esprit to its most effective level.

The Clerk read as follows:

SEC. 738. This act may be cited as the "Department of Defense Appropriation Act, 1955."

(Mr. McCORMACK asked and was given permission to extend his remarks prior to the offering of the amendment by Mr. Coudert.)

Mr. McCORMACK. Mr. Chairman, I move to strike out the last word.

[Mr. McCORMACK addressed the Committee. His remarks will appear hereafter in the Appendix.]

(Mr. PELLY asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. PELLY. Mr. Chairman, during the reading of the Defense appropriations bill, when the clerk came to pages 17 and 18, as the members of the committee will remember, he read so fast that he passed over the paragraphs on construction of ships at the bottom of page 17 and the one on shipbuilding and conversion on the top of page 18 before I was recognized, although I was on my feet. Therefore, I have waited until this time to seek recognition to compliment the committee on these particular provisions for construction and conversion of ships.

The policy of the Department of the Navy, as I understand it, was to decommission a great many older combat ships. to put them in mothballs, and to place them in readiness should their services be required in the future. Meanwhile, the funds that would be needed to maintain those older vessels were to go into construction of modern vessels and in particular a fourth Forrestal class carrier.

I wish to commend the committee on their recognition of the wisdom of this policy through reporting out the appropriation bill, which provides the funds for this program.

The gentleman from Washington [Mr. . TOLLEFSON], during the reading of the earlier section of the bill, mentioned the need of private merchant ships as an

adjunct to defense. The Department of the Navy has been in the position of maintaining public and private shipyards for defense and, since we have little or no private merchant ships being built, the Navy has sought to allocate naval construction and repair to private and public yards and, of course, this has been spreading the butter on the bread pretty thin. There just was not enough work to sustain all our shipyards that are necessary for mobilization. In this connection. I think that the Bureau of Ships has been doing an excellent job. However, I think the members of this committee should recognize that the bulk of ship construction has been going to eastern shipyards. I do not criticize the Navy for this and I realize, of course, that any provision in an appropriation bill which would direct where ships should be built would be ruled out on a point of order.

Nevertheless, I think that Congress should recognize that the new Forrestal carriers cannot go through the Panama Canal. I feel that the members of the appropriate committees of Congress, particularly the Armed Services Committee, should bear in mind that on the west coast there must be the necessary skills and facilities to construct modern combat vessels. Moreover, we should disperse on a geographical basis in case of enemy air attack. Accordingly, in complimenting the appropriations committee, I, at the same time, want to urge that every possible consideration be given to allocating naval construction to the Pacific coast. The last figure that I saw was that 28.9 percent of naval construction was on the west coast as against 51.3 percent on the east coast, the balance being on the Great Lakes and the gulf coast. Since then, substantial contracts have been given to yards in these two latter areas. In conclusion, I urge that full consideration be given to allocating the fourth Forrestal class carrier for construction on the west

Mr. WIGGLESWORTH. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McCulloch, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, had directed him to report the bill back to the House with sundry amendments, with the recommendation that the amendments be agreed to and that the bill, as amended, do pass,

Mr. WIGGLESWORTH. Mr. Speaker, I move the previous question on the bill and all amendments to final passage. The previous question was ordered.

The SPEAKER. Is a separate vote demanded on any amendment? If not, the Chair will put them en grosse.

The amendments were agreed to. The SPEAKER. The question is on the engrossment and third reading of

The bill was ordered to be engrossed and read a third time, and was read the third time.

The question is on The SPEAKER. the passage of the bill.

Mr. WHEELER. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. WHEELER. I am. The SPEAKER. The gentleman qualifies. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. WHEELER moves to recommit the bili to the Committee on Appropriations with

instructions to add section 738:

"SEC. 738. None of the funds appropriated by this act shall be avallable for defraying any of the expenses of maintaining uniformed personnel of the United States in armed conflict anywhere in the world: Provided, That this prohibition shall not be applicable with respect to armed conflict pursuant to a declaration of war or other express authorization by Congress or with respect to armed conflict occasioned by an attack on the United States, its Territories, or possessions, or an attack on any nation with whom the United States has a mutual defense or security treaty."

Mr. WIGGLESWORTH. Mr. Speaker, I move the previous question on the motion to recommit.

The previous question was ordered. The SPEAKER. The question is on the motion to recommit.

The question was taken, and the Speaker announced that the noes appeared to have it.

Mr. WHEELER. Mr. Speaker, I ask for the yeas and nays.

The yeas and nays were refused.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. WIGGLESWORTH and Mr. MA-HON demanded the year and nays.

The yeas and nays were ordered

The question was taken; and there were-yeas 377, nays 0, not voting 58, as follows:

[Roll No. 58] YEAS-377

Abbitt Beamer Bramblett Abernethy Becker Brav Adalr Belcher Brooks, La. Addonizio Bennett, Fla Brown, Ga. Brown, Ohio Bennett, Mich. Bentley Albert Alexander Brownson Allen, Calif. Allen, Ill. Bentsen Broyhill Buchanan Berry Andersen, Budge Burdlck Betts H. Carl Blshop Andresen Blatnik Burleson August H. Busbey Boggs Boland Andrews Bush Bolling Byrd Angell Arends Bolton. Byrne, Pa. Frances P. Byrnes, Wis. Campbell Ashmore Bolton. Aspinall Oliver P. Auchincloss Canfield Bonln Avres Cannon Bonner Carnahan Bosch Carrigg Barden Cederberg Celler Bow Bowler Bates

Holifield Chiperfield Chudoff Holmes Holt Church Holtzman Clevenger Cole, Mo. Hope Horan Hosmer Hruska Colmer Condon Cooley Hunter Hyde Cooper Corbett Cotton Ikard James Coudert Cretella Javlts Crumpacker Cunningham Johnson, Callf. Curtis, Mass. Curtis, Mo. Johnson, Wis. Jonas, Ill. Jonas, N. C. Jones, Ala. Jones, Mo. Jones, N. C. Dague Davis, Ga Davis, Tenn. Davis, Wis. Dawson, Ill. Dawson, Utah Judd Karsten, Mo. Deane Kean Delaney Dempsey Keating Derounian Devereux Kee Kelley, Pa. D'Ewart Kelly, N. Y. Dles Keogh Dodd Dolliver Kilburn Klldav King, Pa Dondero Donohue Klrwan Donovan Dorn, N. Y. Dorn, S. C. Kluczynski Knox Krueger Dowdy Laird Durham Landrum Eberharter Lane Lanham Edmondson Latham Ellsworth LeCompte Lesinski Fallon Llpscomb Long Lovre Lucas Fenton Fernandez Fine Lyle McCarthy McConnell Fisher Fogarty Forand McCulloch Forrester McGregor Fountain Frazier McMillan Frelinghuysen McVey Machrowicz Friedel Mack, Ill. Mack, Wash. Fulton Gamble Garmatz Madden Gary Magnuson Gathlngs Mahon Mallllard Gavin Gentry George Marshall Golden Matthews Goodwin Gordon Merrow Granahan Miller, Calif, Miller, Kans, Miller, Md. Miller, Nebr, Miller, N. Y. Grant Gregory Gross Gubser Mills Gwinn Hagen, Callf. Hagen, Minn. Morano Morgan Moss Hale Halleck Moulder Multer Hand Harden Mumma Natcher Hardy Harris Neal Harrison, Nebr. Harrison, Wyo. Nicholson Harvey Hays, Ark. Hays, Ohlo Hébert Norrell Oakman O'Brien, Ill.
O'Brien, Mich.
O'Brien, N. Y.
O'Hara, Ill.
O'Hara, Minn. Heller Hesselton Hess Hiestand Hill Osmers Hillelson Ostertag Hillings Passman Patman Hoeven Patten

Hoffman, Ill. Patte Hoffman, Mich. Pelly

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Perkins Prost Philbin Phillips Pillion Polk Powell Preston Price Priest Prouty Rabaut Ray Rayburn Reams Reece, Tenn. Reed, N. Y. Rees, Kans. Regan Rhodes, Ariz. Rhodes, Pa, Rlehlman Riley Rivers Robeson, Va. Robsion, Ky. Rodlno Rogers, Colo. Rogers, Fla. Rogers, Mass. Rogers, Tex. Roosevelt St. George Schenck Scherer Scrivner Scudder Secrest Seely-Brown Selden Shafer Sheehan Shelley Sheppard Shuford Simpson, Ill. Simpson, Pa. Small Smith, Kans. Smith, Miss. Smith, Va. Smith, Wis. Spence Springer Staggers Steed Stringfellow Sullivan Taber Taylor Teague Thomas Thompson, La. Thompson, Tex. Thornberry Tollefson Trimble Tuck Van Pelt Van Zandt Vlnson Vorys Vursell Walnwright Wampler Warburton Watts Wharton Wheeler Whitten Wlckersham Wldnall Wigglesworth Williams, Miss. Williams, N. J. Williams, N. Y. Willson, Calif. Wilson, Ind. Winstead Withrow Wolverton Young

NOT VOTING-58

Reed, Ill. Richards Bailey Battle Harrison, Va. Hart Herlong Roberts Bender Rooney Saylor Scott Sieminski Sutton Boykin Brooks, Tex. Buckley Howell Jenkins Kearney Kersten, Wis. King, Calif. Klein Lantaff Camp Carlyle Chatham Talle Thompson, Mich. Velde Walter Weichel Clardy Cole, N. Y. Martin, Iowa Merrill Mollohan Crosser Curtis, Nebr. Dingell Morrison Murray Westland Wier Norblad Dollinger Wilson, Tex. Doyle Engle Graham Yorty Pilcher Haley Rains

So the bill was passed.

The Clerk announced the following pairs:

Mr. Clardy with Mr. Rains.

Mr. Kersten of Wisconsin with Mr. King.

Mr. Jenkins with Mr. Engel. Mr. Martin of Iowa with Mr. Chatham.

Mr. O'Konski with Mr. Pilcher
Mr. Graham with Mr. Camp.
Mr. Reed of Illinois with Mr. Mollohan,
Mr. Cole of New York With Mr. Doyle.
Mr. Bender with Mr. Bailey.

Mr. Kearney with Mr. Dollinger. Mr. Merrill with Mr. Buckley.

Mr. Norblad with Mr. Herlong.

Mr. Saylor with Mr. Lantaff.

Mr. Curtis of Nebraska with Mr. Haley.

Mr. Radwan with Mr. Harrison of Virginia Mr. Scott with Mr. Rooney.
Mr. Talle with Mr. Morrison.
Mr. Weichel with Mr. Klein.
Mr. Westland with Mr. Wilson of Texas.

Mr. Velde with Mr. Crosser. Mrs. Thompson of Michigan with Mr.

Howell.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from

Massachusetts?

There was no objection.

RESIGNATION FROM COMMITTEES

The SPEAKER laid before the House the following resignation from a committee:

APTEL 29, 1954.

The Honorable Joseph W. Martin, Jr.,

Speaker of the House of Representatives, Washington, D. C.

Dear Mr. Speaker: I hereby tender my resignation as a member of the Committee

on House Administration. Sincerely yours,

CHARLES A. HALLECK.

The SPEAKER. Without objection, the resignation will be accepted.

There was no objection.

The SPEAKER laid before the House the following communication:

APRIL 26, 1954.

Hon. JOSEPH W. MARTIN, Jr., Speaker, House of Representatives, Washington, D. C.

DEAR MR. SPEAKER: Attached hereto is a letter from the Honorable BRENT SPENCE resigning as a member of the Joint Committee on Defense Production.

Pursuant to the authority vested in me by section 712 (a) of the Defense Production Act of 1950, as amended, I hereby appoint the Honorable Wright Patman, a member of the Committee on Banking and Currency of the House of Representatives, as a member of the Joint Committee on Defense Production. Sincerely,

JESSE P. WOLCOTT, Chairman.

APRIL 26, 1954.

Hon. JESSE P. WOLCOTT, Chairman, Committee on Banking and Currency, House of Representatives,

Washington, D. C.
DEAR MR. CHAIRMAN: I herewith tender my resignation as a member of the Joint Committee on Defense Production, established by section 712 of the Defense Production Act of 1950, as amended, to be effective as of this

Sincerely,

BRENT SPENCE.

ELECTION TO COMMITTEE

Mr. HALLECK. Mr. Speaker, I offer a resolution (H. Res. 522) and ask for its immediate consideration.

The Clerk read the resolution, as fol-

lows:

Resolved, That the following-named Members be, and they are hereby, elected members of the standing Committee of the House of Representatives on House Administration: WILL E. NEAL, West Virginia; D. BAILEY MER-RILL, Indiana; and GLENARD P. LIPSCOMB. California.

The resolution was agreed to.

MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Tribbe, one of his secretaries, who also informed the House that on the following dates the President approved and signed bills and joint resolutions of the House of the following titles:

On April 9, 1954:

J. Res. 461. Joint resolution making an additional appropriation for the Department of Labor for the fiscal year 1954, and for other purposes.

On April 13, 1954:

H. R. 1568. An act to amend section 6 of chapter 786 of the act of June 6, 1900, entitled "An act making further provision for a civil government for Alaska, and for other purposes" (31 Stat. 323; title 48, sec. 108, U. S. C.); and H. R. 2747. An act to amend title 17 of the

United States Code entitled "Copyrights" with respect to the day for taking action when the last day for taking such action falls on Saturday, Sunday, or a holiday.

On April 15, 1954:
H. R. 962. An act for the relief of Gabrielle
Marie Smith (nee Staub);
H. R. 1148. An act for the relief of Antonino Cangialosi (or Anthony Consola);
H. R. 1529. An act to facilitate the develop-

ment of building materials in Alaska through the removal of volcanic ash from portions of Katmai National Monument, Alaska, and for other purposes;

H. R. 3045. An act for the relief of Nickolas K. Ioannides;

H. R. 4024. An act to change the name of the Appomattox Court House National Historical Monument to the "Appomattox Court House National Historical Park";

H.R. 4056. An act for the relief of Manfred Singer;

H. R. 4707. An act for the relief of Lee Yim/ Quon:

H. R. 4886. An act for the relief of Ingrid Birgitta Maria Colwell (nee Friberg);
H. R. 4984. An act to remove certain

limitations upon the sale or conveyance of land heretofore conveyed to the city of Milcs City, Mont., by the United States;

H. R. 5085. An act for the relief of Mrs.

Marie Tcherepnin; and

Marie Tenerephin; and H.R. 6434. An act to amend sections 401 and 701 of the Federal Food, Drug, and Cos-metic Act so as to simplify the procedures governing the establishment of food standards.

On April 17, 1954:

H. R. 889. An act for the relief of Scarlett Scoggin;

H. R. 2351. An act for the relief of Sam Rosenblat;

H. R. 2441. An act for the relief of Husnu Ataullah Berker;

H. R. 3306. An act to provide for the relief of certain reclamation homestead entrymen;

H. R. 3961. An act for the relief of Margherita Di Meo;

H.R. 4738. An act for the relief of Gabriel Hittrich;

H. R. 5529. An act to preserve within Manassas National Battlefield Park, Va., the most important historic properties relating to the Battles of Manassas, and for other purposes; and

H. J. Res. 238. Joint resolution granting the status of permanent residence to certain aliens.

On April 22, 1954:

H. R. 6025. An act to authorize the Secretary of the Army to grant a license to the Leahi Hospital, a nonprofit institution, to use certain United States property in the city and county of Honolulu, T. H.;

H.R. 7110. An act to provide that title to school lands shall vest in the States under the act of January 25, 1927, notwithstanding any Federal leases which may be outstand-ing on such lands at the time they are surveyed; and

H.R. 7380. An act to authorize the Secretary of Commerce to reconvey certain property which the city of Boulder, Colo., donated to the Secretary of Commerce for the establishment of a radio propagation laboratory.

On April 27, 1954: H. R. 6436. An act to amend the Communications Act of 1934, as amended.

On April 29, 1954:

H. R. 8539. An act to extend the period of election under the Uniformed Services Contingency Option Act of 1953 for certain members of the uniformed services.

THE RIGHT HONORABLE VINCENT MASSEY, GOVERNOR GENERAL OF CANADA

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that it may be in order at any time on Tuesday, May 4, 1954, for the Speaker to declare a recess subject to the call of the Chair for the purpose of receiving in a joint meet-ing the Right Honorable Vincent Mas-sey, Governor General of Canada.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

ADJOURNMENT UNTIL MONDAY NEXT

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that when the House adjourns today it adjourn to meet at noon on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

PROGRAM FOR NEXT WEEK

(Mr. HALLECK asked and was given permission to address the House for 1 minute.)

Mr. HALLECK. Mr. Speaker, as I guess most of us know on Tuesday next there are primary elections in the States of Alabama, Florida, Indiana, New Mexico, and Ohio, so in keeping with our practice we are arranging the program to suit the convenience of Members from those States.

On Monday we will call the Consent Calendar. There are not very many bills on the calendar, but I think we had better get back on schedule on both the Consent and Private Calendars.

Then there are two bills on which rules were granted some time ago, and which have been scheduled several times, and which should be disposed of. One of them is Senate bill 984 having to do with judicial review of certain taxcourt decisions and H. R. 2550 having to do with the extradition of fugitives. It is our purpose to call up the rules and consider those measures starting on Monday after the call of the Consent Calendar.

On Tuesday, we will have the joint meeting which will be at 12:30 p. m. for which unanimous consent has just been granted.

We will call the Private Calendar and then we will continue with the bill to which I have just referred.

On Wednesday, we expect to call up Senate bill 2150 having to do with the construction of the St. Lawrence seaway. It is expected that general debate can be concluded on that day. I think there are 4 hours general debate and we certainly hope the general debate can be concluded on Wednesday and have the first section read so that on Thursday, and I want to say at this time we hope that we can come in at 11 o'clock on Thursday, we would take the bill up for amendment under the 5-minute rule and consider the bill to final passage. As I say, I hope on Thursday we can do that because a great many of our Members have made arrangements to make the annual outing and inspection trip to New York City on Friday, May 7.

EXTENSION OF REMARKS

Mr. RHODES of Pennsylvania asked and was given permission to extend his remarks at that point in the RECORD before the vote was taken on the COUDERT amendment.

S. 2150

Mr. ALLEN of Illinois, from the Committee on Rules, reported the following

privileged resolution (H. Res. 523, Rept. No. 1549), which was referred to the House Calendar and ordered to be printed.

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (S. 2150) providing for creation of the St. Lawrence Seaway Development Corporation to con-struct part of the St. Lawrence seaway in United States territory in the interest of national security; authorizing the Corporation to consummate certain arrangements with the Saint Lawrence Seaway Authority of Canada relative to construction and operation of the seaway; empowering the Corporation to finance the United States share of the seaway cost on a self-liquidating basis; to establish cooperation with Canada in the control and operation of the St. Lawrence seaway; to authorize negotiations with Canada of an agreement on tolls; and for other purposes, and all points of order against said bill are hereby waived. After general debate, which shall be confined to the bill and continue not to exceed 4 hours, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Public Works, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS

Mr. HALLECK. Mr. Speaker, I ask unanimous consent that the business in order on Calendar Wednesday of next week may be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

EXCHANGE OF PERSONS PROGRAMS IN KOREA AND JAPAN

(Mr. BROWNSON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. BROWNSON. Mr. Speaker, on April 14, I made a speech on the floor of the House regarding the future of the international leader and student exchange program—CONGRESSIONAL RECORD, pages 4854—4856.

Mr. Speaker, in view of the inquiries I have received in response to this speech and the timeliness of the subject, I am including as an integral part of my remarks, today, a carefully prepared statement on the leader and educational exchange programs in Japan and Korea. This statement has been approved informally by a majority of the members of the International Operations Subcommittee, House Government Operations

Committee. It will form the basis of the exchange of persons sections of the forthcoming reports of the subcommittee as a part of its recent survey of Government programs in Japan and Korea. I hope and believe that the release of this information at this time will assist Members of the Congress and interested citizens throughout the country who are now giving active consideration to the future of these programs.

In connection with extensive studies made by the International Operations Subcommittee of United States operations in Korea and in Japan, specific inquiries were made into the exchange of persons programs in Korea. Because there appears to be a need for immediate consideration by the Congress of obstacles which hamper the execution of the exchange of persons programs, the subcommittee believes that this portion of its studies in the Far East should be issued at this time.

EXCHANGE OF PERSONS PROGRAMS

Since 1950, American objectives in Korea have centered on security from external aggression arising out of Communist Asia, and economic relief, reconstruction, and rehabilitation. Before 1950, considerable attention was given to the fostering of institutions, attitudes. and practices which are the bone and sinew of a free democratic society. Provided the threat of a renewal of hostilities does not increase, it is to be expected that efforts along these lines will now be resumed. Along with the Philippines and possibly Japan, Korea appears destined to be a showcase in which Asian peoples will seek to discover what American ideas and principles mean when applied in an oriental setting.

One of the most effective tools in the American kit for fostering Korean understanding and expertise in the practical side of operating a free democratic system is the exchange of persons programs. The Foreign Operations Administration—FOA—and the United Nations Korean Reconstruction Agency-UNKRA—are now developing exchange programs of the technical assistance type. Alongside of these there is an important role to be played by the educational and leader exchange programs under the Smith-Mundt and Fulbright Acts. These programs are especially acceptable to Koreans because of their binational character and the direct American-Korean professional contacts they provide. Because they are directed to Korean opinion leaders in various fields, they have considerable long-run impact.

Up till the present time, however, only a small Smith-Mundt leader-type program has been in operation. The attached table provides a breakdown of this program through 1955 fiscal year as projected in the President's budget request:





REPORT No. 1582

DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1955

June 11, 1954.—Ordered to be printed

Mr. Ferguson, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 8873]

The Committee on Appropriations, to whom was referred the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House	\$28, 684, 250, 486
Amount of increase by Senate (net)	177, 334, 000
Amount of bill as reported to Senate	28, 861, 584, 486
Amount of appropriations, 1954	34, 313, 321, 000
Amount of regular and supplemental estimates, 1955	29, 887, 055, 000
The bill as reported to the Senate:	
Under the estimates for 1955	1, 025, 470, 514
Under the appropriations for 1954	5, 451, 736, 514

GENERAL STATEMENT

The committee firmly believes that each of the services has been allowed sufficient funds with which to carry out the programs which they envision for fiscal year 1955. In order to assist the services in effecting greater economies than those anticipated in their esti-

mates, an endeavor has been made to point out the areas in which further economies are believed possible. The basic responsibility, however, for the achievement of the announced program objectives and hence the attainment of the most effective utilization of appropriated funds, rests with the heads of the departments concerned. Therefore, to the extent that reductions cannot be accomplished in the areas suggested without detrimental effect, adjustments should be made in such areas as will not impair the program. The committee directs, however, that in no instance shall a project within an appropriation exceed the amount of the original budget estimate.

REDUCTION IN NUMBER OF MILITARY ATTACHÉS

The attention of the Department of Defense is directed to the recommendations made by Senator Allen J. Ellender who, as a special subcommittee of the Senate Appropriations Committee, investigated the assignment of military attachés to United States diplomatic posts abroad. Senator Ellender recommended the limitation, where possible, of assignment of military reporting functions to a single service attaché, with net savings being realized in salaries, living allowances, and other items. The committee has been advised by the Department of Defense that staff studies on this subject are virtually completed and that definite curtailment of attaché personnel strength may be brought about without impairment of proper functions. The committee therefore expects that the Department will effectuate Senator Ellender's recommendation with a view to early accomplishment of substantial economies.

GUIDED-MISSILE PROGRAM

Testimony both on and off the record focused the committee's attention on what appears to be a disorganized situation relating to the guided-missile program. Service witnesses in almost every instance while lauding the characteristics of the missiles under production for their particular service had a tendency to belittle the programs of the sister services.

Without attempting to pass military judgment it appears to the committee that it would be practical to make some attempt to standardize at least those missiles which are being produced for approximately the same missions.

The Secretary of Defense is therefore directed to investigate the guided-missile program within the Department of Defense and to report to this committee not later than January 15, 1955, the result of his findings.

SECURITY INVESTIGATIONS

The committee has taken cognizance of the difficulties confronting the military departments in conducting security investigations of both

military and civilian personnel.

Recognizing that this facet of Government administration requires prudent but timely action, the committee, nevertheless, believes that energetic steps must be taken to preserve the due process of law and to protect the rights of the individual while, at the same time, making certain that the interests of the United States are adequately safeguarded.

The committee feels that better results could be achieved in the overall Department of Defense security investigations program if these activities were coordinated under a civilian head within the Office of the Secretary of Defense. It is, therefore, suggested that immediate steps be taken to establish such a position and that periodic reports be made to Congress covering all phases of the operation.

ARMY AND NAVY CARGO SHIPPING

The committee's attention was called to the plight of public ports and private terminals which do not appear to be receiving a fair share of nonsecurity Army and Navy cargo. The Army and Navy depots seem to be routing practically all of the tonnage of their respective departments through military port terminals. This is a matter which the committee feels should be given careful study by the Department of Defense. This matter will likewise be called to the attention of the Hoover Commission for its consideration.

OFFICE OF THE SECRETARY OF DEFENSE

SALARIES AND EXPENSES

The committee was impressed with the report of economies the Secretary of Defense has effected in his own immediate staff in this first year of reorganization. The estimates for the fiscal year 1955 reflect a reduction of \$1.5 million from the estimated \$14 million a year rate prevailing when Secretary Wilson came in. With the establishment of clearer lines of authority and the elimination of the board and committee structure in the Office of the Secretary of Defense, it is believed that more effective results will be achieved with less personnel than were required previously. The Secretary of Defense has estimated that he will need over 20 percent less people than were employed when he assumed office. The committee believes that, in view of these accomplishments to date, the Secretary should be granted the flexibility he feels he needs to continue the reorganization of his office in the interest of achieving maximum effectiveness. Accordingly, the committee recommends the restoration of \$500,000 deleted by the House from the appropriation request for this item, or a total of \$12,500,000 in lieu of the \$12,000,000 provided in the House bill.

INTERSERVICE ACTIVITIES

RESERVE TOOLS AND FACILITIES

The committee recommends that the following provision be included in the bill:

RESERVE TOOLS AND FACILITIES

Amounts made available under this head for the fiscal year 1954 but not transferred to other appropriations during that year shall remain available for such transfer during the current fiscal year.

This amendment would continue the availability of funds which were appropriated in fiscal year 1954 for the current fiscal year to provide the Department of Defense with a basis for acquisition and maintenance of machine tools that are urgently needed to be on hand

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nat nd ing ifein the industrial mobilization base. Representatives of the Department of Defense presented information to this committee which was not available at the time that the House considered the bill, indicating a planned program providing for an exhaustive analysis of existing inventories and for the maintenance of machine tools by the so-called

packaged-plant method.

This method, with which the committee has been in full accord, would provide for the maintenance of tools not in dispersed public warehouses, but in integral units which would contain all the tools for a single plant. The committee cannot overemphasize the importance of a continuous exhaustive inventory of these tools to determine the degree of obsolescence and to provide for an orderly disposal program since there is little justification for retention of tools not worth the consequent excessive warehouse costs.

DEPARTMENT OF THE ARMY

Maintenance and Operation

The committee is concerned over the multiple sources of financing and the lack of clear lines of financial responsibility in the operation of the Army depot system. Funds for the operation of the Atlanta General Depot, at the time of a recent survey were derived from 13 different appropriations and were channeled through 15 different operating agencies within the Army before reaching the depot level. The appropriation "Maintenance and operation" is one of the 13 separate appropriations involved. Funds from this appropriation reached the depot in 130 separate allotment accounts after being channeled through 6 different operating agencies of the Army. committee has been assured by the Department of the Army that steps have been taken to reduce the number of allotments to these depots and that a study is under way to further reduce the allotments to field installations of every type without sacrificing the effectiveness of funds control. The committee urges that the Secretary of the Army give this matter close and continuous attention. A report should be submitted to the committee by the Department of the Army by January 15, 1955, as to the progress made in this regard.

MILITARY CONSTRUCTION, ARMY RESERVE FORCES

The committee concurs in the action of the House in recommending an appropriation of \$15 million, the full amount of the budget estimate, for construction for the Army Reserve Forces. However, the committee recommends that the following provision be included in the language of the House bill:

: Provided, That not to exceed \$36,000,000 may be transferred to this appropriation from the appropriation "Procurement and Production, Army" for the construction of National Guard armories in accordance with said Act of September 11, 1950, when such transfers are determined by the Secretary of Defense to be in the national interest.

This proposed language would permit the transfer of not to exceed \$36 million to this appropriation when determined by the Secretary of Defense to be in the national interest for the construction of National Guard armories. Such a transfer of funds will be necessary if the Federal Government is to match State funds which will be available for this purpose.

ARMY NATIONAL GUARD

The committee has allowed the budget estimate of \$218,530,000 for the Army National Guard. However, in addition, pursuant to Senate Document 124, the committee recommends the following language be added to the bill:

: Provided, That in addition, the Secretary of the Army may transfer not to exceed \$25,000,000 to this appropriation from the appropriation "Procurement and Production, Army": Provided further, That obligations may be incurred under this appropriation for installation, maintenance, and operation of facilities for antiaircraft defense without regard to section 67 of the National Defense Act

The first proviso will permit the transfer of \$25 million to this appropriation to cover increased fund requirements resulting from (1) an increase in strength of the Army National Guard, not planned for in submitting the 1955 budget, and (2) the antiaircraft defense program, whereby the National Guard will operate antiaircraft gundefenses in place of Regular Army units being transferred to Nike

guided-missile units.

The second proviso will permit the expenditure of funds for the antiaircraft defense program without regard to the State apportionment provisions of section 67 of the National Defense Act. That section requires that funds appropriated for the National Guard be apportioned to the States in the same ratio that each State's National Guard strength bears to the total strength of the National Guard. Since the antiaircraft program is not for State purposes, but is rather the type of national defense usually provided by the Regular Army, it is clear that the law on State apportionment should not apply to the program.

DEPARTMENT OF THE NAVY

Submarine Program

In view of the publicity given to the alleged Soviet submarine strength, the committee has noted with interest the testimony of the Navy Department officials on the United States program for both conventional and nuclear-powered submarines.

The committee strongly recommends that the training of personnel be intensified to assure that sufficient skilled workers are available

for a possible acceleration of the nuclear-powered program.

The committee also recommends that the Secretary of the Navy carefully reexamine plans and give consideration to enlarging the construction, overhauling and conversion of the submarine programs in both civilian and Government yards.

NAVY PERSONNEL, GENERAL EXPENSES

The committee recommends an appropriation of \$75,030,000 which is an increase of \$60,000 over the House bill for expenses of enrolling

officers for postgraduate instruction at civilian schools.

The Navy planned to have 305 officers under instruction in technical subjects at various universities where such instruction can most economically be provided and where the best instruction in such subjects is available. The number of officers taking this type of

instruction is less than one-half of 1 percent of the officers in the Navy, which is a very austere program when the requirement for technically qualified officers to operate the billions of dollars' worth of technical equipment in the Navy is considered.

AIRCRAFT AND FACILITIES, NAVY

The committee recommends an appropriation of \$785,895,500,

which is an increase of \$10,000,000 over the House bill.

It is difficult to estimate accurately the annual costs of flight operations and overhaul expenses for the approximately 10,000 aircraft which will be operated by the Navy and Merine Corps during fiscal year 1955. Such costs may change drestically depending upon the varied type of operations which these aircraft are called upon to undertake.

The restoration of \$10,000,000 in this appropriation will provide for an additional 216,431 flight-hours and 346 aircraft engine overhauls. The restoration is considered necessary in order not to risk the curtailment of the operation and overhaul of our combat Navy and Marine Corps aircraft.

AIRCRAFT AND RELATED PROCUREMENT

TRANSFERS OF FUNDS TO WEATHER BUREAU

The Department of Defense in collaboration with the Coast Guard has determined that for defense purposes 17 Coast Guard vessels are required during fiscal year 1955 to operate in the Atlantic and Pacific as weather stations. The cost of maintenance and operation of the ships, \$15,675,000, is carried in the appropriation "Ships and facilities, Navy" and this amount will be transferred to the Treasury Department.

In order to provide additional funds for the Weather Bureau for necessary observers, the committee has inserted language in the bill authorizing the transfer of \$700,000 to the appropriation entitled "Salaries and expenses, Weather Bureau, Department of Commerce."

MEDICAL CARE

In the past basic research was carried in one appropriation while applied research and development funds were included in the various appropriations of the functional bureaus and offices. In the present bill, all research and development have been consolidated under one appropriation title. This required a revision of the language of all the appropriations where money was contained for research and development. In the appropriation entitled "Medical care," the House deleted the words "research and development" but failed to delete the language applying to facilities where the research is conducted. The Senate committee recommends the necessary language change deleting the words "research facilities."

CIVIL ENGINEERING

The committee recommends an appropriation of \$105,294,000 an

increase of \$2 million over the House bill.

It is considered that economies which have been made in the past have reduced the level of maintenance of the Naval Shore Establishment to a critical point and that this restoration is required in order that the capital investment in the Naval Shore Establishment can be adequately protected. If preventive maintenance cannot be adequately carried out, greater expenditures in the future will result because of deterioration of the Shore Establishment.

RESEARCH AND DEVELOPMENT

Research funds, in the past, have been included in several of the appropriations for the Navy. In this bill, all research and development funds have been included in one consolidated appropriation. A comparison of the funds for the current fiscal year and the funds recommended in the Senate bill is found in the following table:

Research and development funds, direct and indirect costs
[In thousands of dollars]

Appropriation	1954 obligations (estimate)	1955 bill
Aircraft and facilities Ordnance and facilities Ships and facilities Research (basic) Medical care Servicewide supply and finance Civil engineering Navy personnel, general expenses Marine Corps troops and facilities	187, 848 131, 604 63, 676 50, 286 4, 476 700 3, 346 450 2, 000	177, 940 125, 033 66, 814 54, 530 4, 400 700 3, 296 450 2, 000
Subtotals (as appropriated or budgeted)	444, 386	435, 163 -21, 758
Subtotals for research	444, 386	413, 405 +6, 470
Recommended in bill		419, 875

In addition the committee recommends that the following language provision be included in the bill to authorize the Secretary of Defense to merge unexpended balances of funds for research and development with the new appropriation.

: Providea, That the unexpended balances appropriated for research and development under the heads "Naval Personnel, General Expenses", "Marine Corps, Troops and Facilities", "Aircraft and Facilities", "Ships and Facilities", "Ordnance and Facilities", "Medical Care", "Civil Engineering", "Servicewide Supply and Finance, Navy" for the fiscal years 1953 and 1954 and the unexpended balance of appropriations under the head "Research" are hereby transferred to and merged with this appropriation, in such amounts as may be recommended by the Secretary of Defense and approved by the Director of the Bureau of the Budget.

The unobligated balances under the appropriations "Research and development, Army" and "Research and development, Air Force" remain available for apportionment and obligation in subsequent years after review and certification by the Assistant Secretary of Defense

(R. and D.), Assistant Secretary of Defense (Comptroller) and the

Bureau of the Budget.

Such has not been the case with the research and development in the Navy. If the Navy is to carry out its program in a manner similar to that planned for the other services, it will be necessary to carry forward the unexpended balances from 1953 and 1954 into the new appropriation "Research and development, Navy." A similar provision was enacted during 1952 when the Army and Air Force appropriations were instituted for research and development.

SERVICEWIDE OPERATIONS, NAVY

The appropriation "Servicewide operations, Navy" finances an assortment of activities, offices, and services. The House recommended an appropriation of \$103,625.000 and the Senate committee is recommending an increase of \$1,224,000 or a total of \$104,849,000. The additional funds recommended by the committee are for the following purposes:

Naval districts and river command headquarters______ \$195,000

This will permit the consolidation of the 8th Naval District Headquarters with other naval activities in the New Orleans area, release space now occupied by the Navy, and result in savings of funds for the operation of this headquarters in the future.

Servicewide communications \$600,000

The restoration of these funds will permit the Hydrographic Office to carry out a portion of its planned program of providing charts and other nautical publications to our Armed Forces as well as our commercial ships.

Field services _____ \$279,000

These funds are restored in order to permit the operation of four additional Navy audit offices as well as the gradual expansion of the existing offices. It is considered that the operation of these audit offices will result in far greater savings to the Government and in the more efficient management of the Navy business transactions.

DEPARTMENT OF THE AIR FORCE

RESEARCH AND DEVELOPMENT

The committee recommends an appropriation of \$431 million for this purpose an increase of \$21,550,000 over the House bill.

The committee is acutely aware of the dependence of the Air Force of tomorrow on the research and development of today.

Coupled with this awareness is the knowledge that the program presented for the consideration of the Congress represents a considerable reduction in total requirements from those of previous years and a program in which many of the features that this committee found so distasteful last year have been corrected. Programs which were felt not to have the moment that justified their inclusion have been eliminated. It must be admitted that not everything now under way will be carried forward to completion. The Air Force itself has told us that when a particular development is superseded by greater progress in a parallel field the former is immediately dropped. may be expected under these circumstances that no matter what the program, funds in some degree would not be required. However, we are assured by the Air Force that there is absolutely no capability of identification of any such items at this time, and furthermore, the very flexibility which promotes this situation also demands a readiness to proceed where greater progress than had originally been anticipated is made possible. Taking into consideration this factor, should there be an opportunity to exploit a promising field of investigation as might be the case in 1 or 2 very important areas, the Air Force should not be deprived of the capability of taking advantage of the situation through an arbitrary action on our part.

MAINTENANCE AND OPERATIONS

The committee recommends an appropriation of \$3,544,792,000

an increase of \$142 million over the House bill.

The basic area of question in this appropriation centers around the amount of funds required to support the expanded flying hour program necessitated by the planned buildup to 137 wings. The evaluation of the estimates for such costs, from one year to another, is extremely difficult in that the relative accuracy of the estimated costs cannot be determined readily by the mere application of overall average cost factors. Many, many details of program activity come into play in the computation of such costs. Of particular significance is the composition of the flying hours, programed, i. e., the type and model of the aircraft to be flown and the proposed number of hours that each will be flown. Of almost equal significance is the wide variation in costs of operation of the different aircraft models. The importance of this statement is very vividly pointed out in the Air Force statement concerning the House action in that by merely reversing the number of flying hours between the B-29 and the B-47E aircraft, the cost would be doubled. This particular example, no doubt, was shown to accentuate the differences that can exist. The average difference, in all probability, would be considerably less; yet, we cannot overlook the fact that this is a reality—the degree of which is dependent entirely upon the aircraft.

The estimates presented by the Air Force were computed through the application of past experience and reflect the many factors bearing on the problem. In view thereof, we feel that they must be accepted as representing true costs and that no action should be taken which may have the ultimate effect of reducing our capability in the attain-

ment of announced military objectives.

SHEMYA INSTALLATION

The committee desires that the Air Force installation at Shemya in the Aleutian Islands shall not be finally closed until facilities can be made operational by the Civil Aeronautics Administration at Cold Bay in the Aleutian Islands to accommodate regularly scheduled civilian air flights. It is further desired that the Department of the Air Force officials arrange with officials of the Civil Aeronautics Administration to carry this out.

RESERVE PERSONNEL REQUIREMENTS

The House allowed \$28,000,000 for this purpose, the full amount of the budget estimate. The committee concurs in the action of the House; however, the committee has inserted a provision in the appropriation language authorizing the transfer of an additional \$5,000,000 to this appropriation from other funds available to the Department of the Air Force. The requirement for additional funds is based upon the expanded Reserve program required in fiscal year 1955.

AIR NATIONAL GUARD

The House approved the full amount of the budget estimate of \$160 million for the Air National Guard. The committee concurs in the action of the House; however, the committee has inserted a provision in the appropriation language authorizing the transfer of an additional \$9 million to this appropriation from other appropriations available to the Air Force. The additional funds will allow for necessary active-duty training of the Air Force Reserve Officers Training Corps graduates who will be commissioned as second lieutenants in the Air National Guard during fiscal year 1955.

AIR FORCE STOCK FUND

The House included language in the bill rescinding \$25 million of the funds in the Air Force stock fund. The committee has deleted this rescission language. The committee action will restore the integrity of the fund and thereby permit the prompt establishment of additional activities under this fund.

GENERAL PROVISIONS

Education of Dependents

SECTION 709

The committee recommends for primary and secondary schooling for dependents of military and civilian personnel of the Department of Defense residing on military or naval installations or stationed in foreign countries an increase in the limitation on average amount

provided in this section from \$225 to \$237.50.

Information presented to the committee by the Department of Defense shows that in some instances the cost of operating schools for dependents overseas exceeds the limitation provided in this section; that these costs result from requirements to operate small schools in areas where the number of military personnel is small and the cost per pupil correspondingly high and, also, from the situation where the number of military personnel stationed in a given location is so small as to not warrant the operation of any school and the only facilities available are high-priced private schools.

The committee believes that the services should continue to consolidate small schools wherever possible and use great care in the selection of those personnel for overseas duty who have a minimum

number of school-age dependents.

SCRAP AND SALVAGE

SECTION 715

It has been reported to the committee on numerous occasions by reliable individuals and business concerns that the Department of Defense is in competition with private business in connection with the disposal of scrap and salvage. Numerous suggestions were made to the committee on the subject of limitations on Defense Department funds in this regard. It was also reported to the committee that this matter is currently under study by the Hoover Commission. The committee in its report on the appropriation bill last year included the following statement:

The committee recommends no change in this section. However, it is the belief of the committee that the agencies of the Department of Defense should exert every possible effort to dispose of scrap and salvage material through scrap and salvage dealers and to avoid going into scrap operations in competition with such private businesses. The committee also hopes that scrap and salvage operations can be conducted in such a manner as to avoid costs associated with the accumulation and processing of such material.

The committee desires to reiterate its statement of last year. Furthermore, the following language proviso has been included in the bill by the committee:

: Provided further, That no funds available to agencies of the Department of Defense shall be used for the operation, acquisition or construction of facilities in the continental limits of the United States for metal scrap baling or shearing or for melting or sweating aluminum scrap unless the Secretary of Defense or an Assistant Secretary of Defense designated by him determines, with respect to each facility involved, that the operation of such facility must be continued in the national interest

Proprietors of small businesses in other fields have also lodged complaints with the committee, citing examples of competition by the military services. The committee recommends that the Secretary of Defense conduct a survey to determine the extent of such competition and after reviewing the findings report to the committee with appropriate recommendations.

Substitution of Normilitary Personnel for Military Personnel

SECTION 720

The committee recommends that the following House proviso be deleted from the bill:

Provided, That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of graded civilian personnel for an equivalent or greater number of military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitations and such funds as may be required to accomplish the substitution may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with compensation of such graded civilian personnel

The following provision has been included in this bill by the committee:

Provided, That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of non-military personnel for an equivalent number of military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such funds, as may be required to accomplish the substitution, may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with the compensation of such civilian personnel

The committee believes that the basic principle of substituting civilian personnel for military in those cases where such substitution would effect a savings in money and manpower at the same time releasing military personnel for military duty is sound. The committee, however, sees no reason why the authority should be restricted to graded civilians and, accordingly, has broadened the language to permit substitution of any civilian for military personnel where advantageous. In this manner a maximum economy may be achieved by proportional distribution of military, United States civilians, and indigenous personnel both in the United States and abroad without adverse effect on national defense.

LEGAL TRAINING

SECTION 724

The committee has been informed that this section is being interpreted by the Department of Defense to prohibit the payment of any expenses for law or legal courses being taken by personnel in the off-duty education programs of the military departments. The history of this provision clearly indicates that it was directed at full-time legal training where the total expense, both of training and of the compensation of the individual being trained, was being borne by the United States. It was never intended to prohibit or limit the type and character of the courses being taken by individuals studying on their own time and where the military departments were making only partial contributions to the expenses of such off-duty study. In order to clarify this intention, the committee recommends the addition of the following proviso:

: Provided further, That this limitation shall not apply to the off-duty training of military personnel as prescribed by section 730 of this Act

FOREIGN DUTY PAY AND STATION ALLOWANCES

SECTION 729

The committee proposes that section 729 be amended to limit payment of authorized foreign duty pay to persons serving in areas other than that of which they are residents, and to limit payment of authorized station allowances to persons serving in Hawaii or Alaska or in areas other than that of which they are resident.

This amends the 1954 act to permit the payment of station allowances to residents of Alaska and Hawaii who are serving in Territories

in which they are residents.

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LIMITATION ON ROTC

SECTION 731

The committee recommends that the following language be deleted from the bill:

Sec. 731. No part of the funds appropriated herein shall be expended for the support of any student in basic courses of the senior division, Reserve Officers' Training Corps, who has not executed a certificate of loyalty in such form as shall be prescribed by the Secretary of Defense.

The provision was inserted by the House. It was not in the law for

1954, nor was it included in the budget estimates for 1955.

The land-grant colleges are concerned because at present all of their students are required to take 2 years of military training as part of their regular curriculum. As they have some foreign students (particularly Canadians), they feel it will be necessary to excuse same from military training because of section 731, which will open the door for requests for general exemption from military training for a variety of reasons.

FALLBROOK PUBLIC UTILITY DISTRICT CASE

SECTION 734

The following provision included in the House bill has been deleted by the committee:

Sec. 734. None of the funds appropriated by this act may be used in the preparation or prosecution of the pending suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others.

MILITARY ASSISTANCE FUND

SECTION 736

The following provision has been included in the bill by the committee:

Sec. 736. Funds heretofore or hereafter allocated to the Department of Defense from any appropriation for military assistance (except funds obligated directly against any such appropriation for offshore procurement or other purposes) shall be accounted for by geographic area and by country solely on the basis of the value of materials delivered and services performed (such value to be determined in accordance with the applicable provisions of law governing the administration of military assistance).

Within the limits of funds so allocated, the Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursement from such allocation, and no funds so allocated shall be withdrawn by administrative action until the Secretary of Defense shall certify that they are not required for liquidation of obligations so incurred, or unless the President in writing shall direct such action. Reimbursement from such allocation shall be made in accordance with the applicable provisions of law.

The committee has spent considerable time in the study of the unsatisfactory situation involving the obligation and expenditure of foreign aid funds in the hands of the military departments. It is felt that, while the four agencies involved—Department of Defense, Foreign Operations Administration, General Accounting Office, and the Bureau of the Budget—should have reached a satisfactory solution to this problem much sooner, the plan submitted on their behalf by the Bureau of the Budget on April 23, 1954, which recommended the enactment of this section, will form the basis for satisfactory revision of the administration of the military assistance program and will develop proper information as to its fiscal aspects upon which the

Congress can depend.

The principal elements which commend the plan to the committee are (1) there will be no necessity to maintain a tremendous amount of complex and useless extra fiscal records in the military departments since the bulk of the items for the military assistance programs will be financed through the appropriations of the Defense Department and accounted for as Defense Department property up to the time of delivery exactly as are the items procured for other defense programs, and (2) charges to military assistance funds will be made and accounted for only on the basis of material and services delivered. In this latter connection the committee emphasizes the importance of the need for satisfactory evidence of delivery of material such as receipts from representatives of recipient countries or shipping documents evidencing overseas shipments by air or vessel, prior to reimbursement from military assistance funds.

As indicated, the committee believes that the four agencies should have submitted their plan sooner since it is recognized that a period of transition from the old system while adjustments are being made will be necessary. It is understood that, in view of the totally unsatisfactory condition of the records of prior transaction—diversions, etc.—some time will be required and some assumptions will have to be made. The committee suggests that the "cutoff date" contemplated by the plan for adoption of the new system be fixed as early as possible—June 30, 1954, is suggested—and that a period of 90 days to complete the transition be adhered to. Adjustments can be

made during this period.

Reports of progress should be filed with this committee by the

Defense Department periodically.

It should be noted that the applicable provision of law governing value for reimbursement is now section 403 of the Mutual Defense Assistance Act of 1949, as amended, and pending legislation contains substantially similar provisions which will be applicable when and if enacted.

COMPARATIVE STATEMENT OF APPROPRIATIONS FOR 1954 AND ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1955

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TITLE I

					In oronge (1)	on dooroom	Conoto bill
Trom	Appropria-	Budget esti-	Recommended	Recommended	L) acean	compared with-	, Dellate Dill
TION	tions, 1954	mates, 1955	1955 committee	oy Senate committee	Appropria- tions, 1954	Estimates, 1955	House bill
NATIONAL SECURITY TRAINING COMMISSION							
Salaries and expenses	\$55,000	\$55,000	\$55,000	\$55,000			
Total, title I	55,000	55,000	55,000	55,000			
					1		

DEPARTMENT OF DEFENSE

TITLE II-OFFICE OF THE SECRETARY OF DEFENSE

				-			
Salaries and expenses.	\$12, 800, 000	\$12, 500, 000	\$12,000,000	\$12, 500, 000	-\$300,000		+\$500,000
Office of Public Information	450,000	1,000,000	500,000	500,000	+20.900	-\$500,000	
Total, title II-Office of Secretary of Defense	13, 250, 000	13, 500, 000	12, 500, 000	13, 000, 000	-250,000	-200,000	+200,000
							-

Comparative statement of appropriations for 1954 and estimates and amounts recommended in the bill for 1955—Continued TITLE III-INTERSERVICE ACTIVITIES

1	Appropria-	Budget esti-	Recommended Recommended	Recommended	Inercase (+	Inercase (+) or decrease (-), Senato bill eompared with-	Senato bill
Шей	tions, 1954	mates, 1955	11955 Dill,	eommitteo	Appropria- tions, 1954	Estimates, 1955	House bill
Claims	\$6,000,000	\$7,680,000	\$7,680,000	\$7,680,000	+\$1,680,000	1 1 1 1 1 1 0 0 1 1 1 1 1 1 1 1 1 1 1 1	
Construction of ships, MSTS		50, 000, 000	50,000,000	50, 000, 000	+50,000,000		
Contingencies	75, 000, 000	50,000,000	40, 000, 000	40, 000, 000	-35,000,000	-\$10,000,000	
Emergeney fund	60, 000, 000	35,000,000	25, 000, 000	25, 000, 000	-35,000,000	-10, 000, 000	
Resorvo tools and facilities	250, 000, 000			(3)	-250, 000, 000		
Retired pay.	1 365, 000, 000	404, 500, 000	404, 500, 000	404, 500, 000	+39, 500, 000		
Court of Military Appeals	300, 000	320,000	320,000	320,000	+20,000		
Total, title III—Interscrvice activities.	756, 300, 000	547, 500, 000	527, 500, 000	527, 500, 000	-228, 800, 000	-20, 000, 000	
				And you see that the second se	The same of the sa	the William of the Late of the	Contraction of the last of the

TITLE IV-DEPARTMENT OF THE ARMY

Military personnel	\$4,708,859,000	\$4,708,859,000 \$4,211,300,000 \$4,150,479,000 \$4,150,479,000 \$6,150,479,000 \$6,150,479,000 \$1,150,	\$4, 150, 479, 000	\$4, 150, 479, 000	-\$558, 380, 000	-\$60,821,000	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Maintenance and operations	4, 343, 000, 000	3, 316, 600, 000	2, 795, 722, 986	2, 795, 722, 986	2, 705, 722, 986 -1, 547, 277, 014	-520,877,014	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Proeurement and production	3, 224, 633, 000		(3)	(3)	-3, 224, 633, 000		
Military construction, Army Reserve Forces	9, 094, 000	15, 000, 000	15,000,000	\$ 15,000,000	+5, 906, 000		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Reservo personnel requirements	85, 500, 000	90, 000, 000	90, 000, 000	90, 000, 000	+4, 500, 000		1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1
Army National Guard	210, 035, 000	218, 530, 000	218, 530, 000	6218, 530, 000	+8, 495, 000		8 6 1 1 1 1 1 1 1 1 1 1 1
Research and development	345, 000, 000	355, 000, 000	345,000,000	345, 000, 000	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	-10,000,000	
National Board for Promotion of Riflo Praetice, Army	100,000	100,000	100,000	100,000	1 1 2 6 6 7 7 6 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8		
Alaska Communication System: Operation and maintenance	11, 185, 000	4, 470, 000	4, 235, 000	4, 235, 000	-6, 950, 000	-235,000	
Total, title IV-Department of the Army	112,937,406,000	8, 211, 000, 000	7, 619, 066, 986	7, 619, 066, 986	7, 619, 066, 986 -5, 318, 339, 014	-591, 933, 014	

TITLE V-DEPARTMENT OF THE NAV

Military personnel, Navy	\$2, 541, 000, 000	\$2, 427, 000, 000	\$2, 417, 000, 000	\$2, 417, 000, 000	-\$124,000,000	-\$10,000,000	
Military personnel, Naval Reserve	7 63, 300, 000	78, 100, 000	78, 100, 000	78, 100, 000	+14,800,000		
Navy personnel, general expenses	83, 000, 000	76, 000, 000	74, 970, 000	75, 030, 000	-7, 970, 000	-970, 000	+\$60,000
Military personnel, Marine Corps	738, 000, 000	614, 000, 000	612, 180, 600	612, 180, 600	-125, 819, 400	-1, 819, 400	
Military personnel, Marine Corps Reserve	13, 800, 000	17, 100, 000	16, 750, 000	16, 750, 000	+2,950,000	-350,000	
Marine Corps troops and facilities	195, 000, 000	176, 700, 000	167, 994, 500	167, 994, 500	-27, 005, 500	-8, 705, 500	
Marine Corps procurement	8 151, 127, 000	143, 500, 000	129, 974, 000	129, 974, 000	-21, 153, 000	-13, 526, 000	
Aircraft and facilities	943, 000, 000	971, 100, 000	775, 895, 500	785, 895, 500	-157, 104, 500	-185, 204, 500	+10,000,000
Aircraft and related procurement	1, 379, 000, 000	1, 987, 000, 000	1, 973, 568, 000	1, 973, 568, 000	+594, 568, 000	-13, 432, 000	
Ships and facilities	896, 400, 000	937, 000, 000	818, 681, 000	818, 681, 000	-77, 719, 000	-118, 319, 000	
Construction of ships (1948-51 programs)	56, 700, 000	57, 600, 000	57, 600, 000	57, 600, 000	+300,000		
Liquidation of contract authorization	70, 454, 000	11, 000, 000			-70, 454, 000	-11, 000, 000	
Shipbuilding and conversion (1952–1955 programs)	720, 000, 000	1, 042, 400, 000	1, 042, 400, 000	1, 042, 400, 000	+322, 400, 000		
Ordnance and facilities.	804, 000, 000	626, 200, 000	457, 436, 000	457, 436, 000	-346, 564, 000	-168, 764, 000	
Sation).	10, 000, 000	34, 000, 000	34,000,000	34, 000, 000	+24,000,000		
Medical care	83, 429, 000	70, 300, 000	63, 600, 000	63, 600, 000	-19,829,000	-6, 700, 000	
Civil engineering	115, 000, 000	116, 800, 000	103, 294, 000	105, 294, 000	-9, 706, 000	-11, 506, 000	+2,000,000
Military construction, Naval Reserve Forces	30, 000, 000	15,000,000	15,000,000	15,000,000	-15,000,000		
Research and development	58, 600, 000	61, 000, 000	419, 874, 900	9 419, 874, 900	+361, 274, 900	+358, 874, 900	
Servicewide supply and finance	382, 500, 000	341, 000, 000	340, 300, 000	340, 300, 000	-42,200,000	-700,000	
Servicewide operations.	104, 000, 000	108, 625, 000	103, 625, 000	104, 849, 000	+849,000	-3,776,000	+1,224,000
Naval petroleum reserves (transfer authority in 1954)	(2, 400, 000)	3, 575, 000	3, 575, 000	3, 575, 000	+3,575,000		
Total, title V-Department of the Navy-	9, 438, 310, 000	9, 915, 000, 000	9, 705, 818, 500	9, 719, 102, 500	+280, 792, 500	-195, 897, 500	+13, 284, 000

1 In addition, transfer authority of not to exceed \$10,000,000. 2 Unobligated balances carried forward.
3 Rescissor of \$500,000,000.
4 Excelses \$58,000,000 for eivilian relief in Korea.
5 In addition, transfer authority of not to exceed \$36,000,000.

• In addition, transfer authority of not to exceed \$25,000,000.
• In addition, transfer of not to exceed \$2,893,000 from another appropriation.
• In addition, certain unexpended balances from prior appropriations.
• Unobligated balance carried forward.

Comparative statement of appropriations for 1954 and estimates and amounts recommended in the bill for 1955—Continued

TITLE VI-DEPARTMENT OF THE AIR FORCE

, Scnate bill	House bill	6 8 8 9 7 7 5 6 6 6 7	8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	+\$21, 550, 000	+142,000,000	# 4 4 4 1 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8 8	0 0 0 1 4 4 1 1 1 0 0 0 0 1 1 1 0 0 1 1 1 1	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		+163, 550, 000	+177, 334, 000
Increase (+) or decrease (-), Senate bill compared with—	Estimates, 1955	1 4 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6 6	-\$60, 636, 000		-110, 208, 000	-43, 296, 000	6 0 0 0 1 4 0 0 0 0 0 0 0 0 0 0 0 0 0 0 0	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1	-3,000,000	-217, 140, 000	-1,025,470,514
Increase (+	Appropriations, 1954	-\$735,000,000	+74, 364, 000	-9,000,000	+389, 792, 000	+71, 704, 000	+13, 100, 000	+12, 900, 000	-3,000,000	-185, 140, 000	28, 684, 250, 486 28, 861, 584, 486 5, 451, 736, 514 -1, 025, 470, 514
Recommended	committee	\$2, 760, 000, 000	674, 364, 000	431, 000, 000	3, 544, 792, 000	3, 356, 704, 000	10 28, 000, 000	11 160, 000, 000	28,000,000	10, 982, 860, 000	28, 861, 584, 486
Recommended Recommended	in House bill, 1955	\$2, 766, 000, 000	674, 364, 000	409, 450, 000	3, 402, 792, 000	3, 356, 704, 000	28, 000, 000	160, 000, 000	28,000,000	10, 819, 310, 000	28, 684, 250, 486
Budget esti-	matcs, 1955	\$3, 495, 000, 000 \$2, 760, 000, 000 \$2, 766, 000, 000	735, 000, 000	431, 000, 000	3, 655, 000, 000	3, 400, 000, 000	28, 000, 000	160, 000, 000	31,000,000	11, 200, 000, 000	29, 887, 055, 000
Appropria-	tions, 1954	\$3, 495, 000, 000	600, 000, 000	440,000,000	3, 155, 000, 000	3, 285, 000, 000	14, 900, 000	147, 100, 000	31,000,000	11, 168, 000, 000	34, 313, 321, 000
	Item	Aircraft and related procurement.	Major procurement other than aircraft	Research and development	Maintenance and operations	Military personnel	Reserve personnel	Air National Guard	Contingencies	Total, title VI-Department of the Air Force	Total appropriations, titles I, II, III, IV, V, VI

19 In addition, transfer of not to exceed \$5,000,000. 11 In addition, transfer of not to exceed \$9,000,000.

Nore.—In addition to the above reduction, the following rescissions are made:
Procurement and preduction, Army, \$500,000,000.
Stock funds, \$550,000,000, as follows: Army, \$300,000,000; Navy, \$200,000,000;
Marine Corps, \$25,000,000; Air Force, \$25,000,000. (This latter rescission of \$25,000,000 for the Air Force was deleted by the Senate committee.)

SPECIAL AND INDEFINITE APPROPRIATIONS

Ifem	Appropria-	Budget esti-	Recommended Recommended in House bill	Recommended	Increase (+)	Increase (+) or decrease (-), Senate bill compared with-	Senate bill
	tions, 1954	mates, 1955	1955	committee	Appropria- tions, 1954	Estimates,	House bill
DEPARTMENT OF THE ARMY							
Secretary of the Army: Proparation for sale or salvage of military property.	\$10,000,000	\$25,000,000	1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1 1		-\$10,000,000	-\$25, 000, 000	
DEPARTMENT OF THE NAVY							
Preparation for sale or salvage of military property	6, 000, 000	6,000,000			-6, 030, 000	-6, 000, 000	
Ships' stores profits	6, 000, 000	6, 000, 000	\$6,000,000	\$6,000,000			1
DEPARTMENT OF THE AIR FORCE							
Preparation for sale or salvage of military property.	6, 000, 000	6,000,000			-6,000,000	-6,000,000	
DEPARTMENT OF DEFENSE							
Preparation for sale or salvage of military property			40, 000, 000	40, 000, 000	+40,000,000	+40,000,000	
Total, special accounts.	28, 000, 000	43, 000, 000	46, 000, 000	46, 000, 000	+18,000,000	+3,000,000	



Calendar No. 1594

83D CONGRESS 2D SESSION

H. R. 8873

[Report No. 1582]

IN THE SENATE OF THE UNITED STATES

Max 3 (legislative day, April 14), 1954 Read twice and referred to the Committee on Appropriations

JUNE 11, 1954

Reported by Mr. Ferguson, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the fiscal
- 5 year ending June 30, 1955, for military functions adminis-
- 6 tered by the Department of Defense, and for other purposes,
- 7 namely:

1	TITLE I
2	NATIONAL SECURITY TRAINING COMMISSION
3	Salaries and expenses: For necessary expenses of the
4	National Security Training Commission, including services as
5	authorized by section 15 of the Act of August 2, 1946 (5
6	U. S. C. 55a), at rates for individuals not in excess of \$50
7	per diem and contracts with temporary or part-time em-
8	ployees may be renewed annually; and expenses of attend-
9	ance at meetings concerned with the purposes of this appro-
10	priation; \$55,000.
11	DEPARTMENT OF DEFENSE
12	TITLE II
13	OFFICE OF THE SECRETARY OF DEFENSE
14	SALARIES AND EXPENSES
15	For expenses necessary for the Office of the Secretary of
16	Defense, including hire of passenger motor vehicles; and not
17	to exceed \$60,000 for emergency and extraordinary expenses,
18	to be expended under the direction of the Secretary of
19	J
	Defense for such purposes as he deems proper, and his deter-
20	
20 21	Defense for such purposes as he deems proper, and his deter-
20 21 22	Defense for such purposes as he deems proper, and his determination thereon shall be final and conclusive; \$12,000,000
20 21	Defense for such purposes as he deems proper, and his determination thereon shall be final and conclusive; \$12,000,000 \$12,500,000.

TITLE III 1 INTERSERVICE ACTIVITIES 2 3 CLAIMS For payment of claims by the Office of the Secretary of 4 Defense, the Army (except as provided in appropriations 5 for civil functions administered by the Department of the 6 Army). Navy, Marine Corps, and Air Force, as author-7 ized by law; claims (not to exceed \$1,000 in any one case) for damages to or loss of private property incident to the 9 10 operation of Army and Air National Guard camps of instruction, either during the stay of units of said organizations at 11 12 such camps or while en route thereto or therefrom; claims, 13 as authorized by law, for damage to property of railroads 14 under training contracts; and repayment of amounts deter-15 mined by the Secretary of the Army, the Secretary of the 16 Navy, or the Secretary of the Air Force, or officers desig-17 nated by them, to have been erroneously collected from mil-18 itary and civilian personnel of the Departments of the Army, 19 Navy, and Air Force or from States, Territories, or the 20 District of Columbia, or members of National Guard units 21 thereof; \$7,680,000. 22 CONSTRUCTION OF SHIPS, MILITARY SEA 23 TRANSPORTATION SERVICE 24 For expenses necessary for the construction, acquisition, 25 or conversion of vessels, including armament therefor, for

- 1 the Military Sea Transportation Service; designs for such
- 2 vessels to be constructed or converted in the future; and
- 3 plant equipment, appliances, and machine tools, and instal-
- 4 lation thereof in public or private plants; \$50,000,000,
- 5 to remain available until expended and to be allocated to the
- 6 Secretary of the Navy.

7 Contingencies

8 For emergencies and extraordinary expenses arising in

9 the Department of Defense, to be expended on the approval

10 or authority of the Secretary of Defense and such expenses

11 may be accounted for solely on his certificate that the ex-

12 penditures were necessary for confidential military purposes,

13 \$40,000,000: Provided, That a report of disbursements

under this item of appropriation shall be made quarterly to

15 the Appropriations Committees of the Congress.

16 Emergency Fund

For transfer by the Secretary of Defense, with the

18 approval of the Bureau of the Budget, to any appropriation

19 for military functions under the Department of Defense

available for research and development, to be merged with

and to be available for the same purposes, and for the same

22 time period, as the appropriation to which transferred,

²³ \$25,000,000.

1	RESERVE TOOLS AND FACILITIES
2	Amounts made available under this head for the fiscal
3	year 1954 but not transferred to other appropriations during
4	that year shall remain available for such transfer during the
5	current fiscal year.
6	RETIRED PAY
7	For retired pay and retirement pay, as authorized by
8	law, of military personnel on the retired lists of the Army,
9	Navy, Marine Corps, and the Air Force, including the
10	reserve components thereof; retainer pay for personnel
11	of the inactive Fleet Reserve, and payments under the
12	Uniformed Services Contingency Option Act of 1953;
13	\$404,500,000.
14	COURT OF MILITARY APPEALS
15	For salaries and expenses necessary for the Court of
16	Military Appeals, \$320,000.
17	TITLE IV
18	DEPARTMENT OF THE ARMY
19	MILITARY PERSONNEL
20	For pay, allowances, individual clothing, interest on
21	deposits, and permanent change of station travel, for mem-
22	bers of the Army on active duty (except those undergoing
23	reserve training); expenses incident to movement of troop

detachments, including rental of camp sites and procurement 1 of utility and other services; expenses of apprehension and 2 delivery of deserters, prisoners, and soldiers absent without 3 leave, including payment of rewards (not to exceed \$25 in 4 any one case), and costs of confinement of military prisoners 5 in nonmilitary facilities; donations of not to exceed \$25 to 6 each prisoner upon each release from confinement in an 7 Army prison (other than a disciplinary barracks) and to 8 each person discharged for fraudulent enlistment; authorized 9 issues of articles to prisoners, other than those in disciplinary 10 barracks; subsistence of enlisted personnel, selective service 11 registrants called for induction and applicants for enlistment 12 while held under observation, and prisoners (except those at 13 14 disciplinary barracks), or reimbursement therefor while such 15 personnel are sick in hospitals; and subsistence of super-16 numeraries necessitated by emergent military circumstances; 17 \$4,150,479,000: Provided, That section 212 of the Act 18 of June 30, 1932 (5 U.S. C. 59a), shall not apply 19 to retired military personnel on duty at the United States 20 Soldiers' Home: Provided further, That the duties of the 21 librarian at the United States Military Academy may be 22 performed by a retired officer detailed on active duty. 23

MAINTENANCE AND OPERATIONS

24 For expenses, not otherwise provided for, necessary for 25 the maintenance and operation of the Army, including admin-

istration and rentals at the seat of government; medical and 1 dental care of personnel entitled thereto by law or regulation 2 (including charges of private facilities for care of military 3 personnel on duty or leave, except elective private treat-4 ment), and other measures necessary to protect the health 5 of the Army; disposition of remains, including those of all 6 Army personnel who die while on active duty; chaplains' 7 activities; awards and medals; welfare and recreation; in-8 formation and educational services for the Armed Forces; 9 recruiting expenses; subsistence of prisoners at disciplinary 10 barracks, and of civilian employees as authorized by law; 11 expenses of apprehension and delivery of prisoners escaped 12 from disciplinary barracks, including payment of rewards not 13 14 exceeding \$25 in any one case, and expenses of confinement 15 of such prisoners in nonmilitary facilities; donations of not 16 to exceed \$25 to each prisoner upon each release from con-17 finement in a disciplinary barracks; military courts, boards, 18 and commissions; authorized issues of articles for use of 19 applicants for enlistment and persons in military custody; 20 civilian clothing, not to exceed \$30 in cost, to be issued each 21person upon each release from confinement in an Army 22 prison and to each soldier discharged otherwise than honor-23 ably, or sentenced by a civil court to confinement in a civil 24prison, or interned or discharged as an alien enemy; trans-25 portation services; communications services, including con-

1. struction of communication systems; maps and similar data 2 for military purposes; military surveys and engineering planning; alteration, extension, and repair of structures and prop-3 erty; acquisition of lands (not exceeding \$5,000 for any one 4 parcel), easements, rights-of-way, and similar interests in 5 land, and, in administering the provisions of 43 U.S. C. 315q, 6 7 rentals may be paid in advance; utility services for buildings 8 erected at private cost, as authorized by law (10 U.S.C. 9 1346), and buildings on military reservations authorized by Army regulations to be used for a similar purpose; pur-10 11 chase of ambulances; hire of passenger motor vehicles; tui-12 tion and fees incident to training of military personnel at 13 civilian institutions; field exercises and maneuvers, including 14 payments in advance for rentals or options to rent land; ex-15 penses for the Reserve Officers' Training Corps and other 16 units at educational institutions, as authorized by law; ex-17 change fees, and losses in the accounts of disbursing officers 18 or agents in accordance with law; expenses of inter-19 American cooperation, as authorized for the Navy by law 20 (5 U. S. C. 421f) for Latin-American cooperation; not 21 to exceed \$4,396,400 for emergencies and extraordinary 22expenses, to be expended on the approval or authority of the 23 Secretary of the Army, and payments may be made on his

certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government; \$2,795,722,986. 3 MILITARY CONSTRUCTION, ARMY RESERVE FORCES 4 For construction, acquisition, expansion, rehabilitation 5 and conversion of facilities for the training and administra-6 tion of the reserve components, including contributions there-7 for, as authorized by the Act of September 11, 1950 (64 8 Stat. 829), without regard to sections 1136 and 3734, 9 10 Revised Statutes, as amended, and land and interests therein 11 may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required 12 13 by section 355 of the Revised Statutes, as amended; and 14 hire of passenger motor vehicles; \$15,000,000, to remain 15 available until expended, of which \$1,000,000 shall be 16 available for the construction of buildings and facilities other 17 than armories without regard to the 75 per centum restriction 18 on contributions contained in section 4 (d) of the Act of 19 September 11, 1950: Provided, That not to exceed 20 \$36,000,000 may be transferred to this appropriation from the appropriation "Procurement and Production, Army" for 21 22 the construction of National Guard armories in accordance

- 1 with said Act of September 11, 1950, when such transfers
- 2 are determined by the Secretary of Defense to be in the
- 3 national interest.

4 RESERVE PERSONNEL REQUIREMENTS

5 For pay, allowances, clothing, subsistence, transporta-

6 tion, travel and related expenses, as authorized by law, for

7 personnel of the Army Reserve while on active duty under-

8 going Reserve training or while performing drills or equiva-

9 lent duty, and for members of the Reserve Officers' Training

10 Corps; subsistence for members of the Army Reserve for

11 drills of eight or more hours duration in any one calendar

12 day; \$90,000,000.

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ARMY NATIONAL GUARD

14 For pay, allowances, clothing, subsistence, transporta-15 tion, and travel, as authorized by law, for personnel of the 16 Army National Guard while undergoing training or while 17 performing drills or equivalent duties; expenses of training, 18 organizing and administering the Army National Guard, in-19 cluding maintenance, operation, and alterations to structures 20 and facilities; hire of passenger motor vehicles; personal 21 services in the National Guard Bureau and services of per-22 sonnel of the National Guard employed as civilians without 23 regard to their military rank, and the number of caretakers 24authorized to be employed under provisions of law (32)

U. S. C. 42) may be such as is deemed necessary by the

Secretary of the Army; subsistence for officers attending 1 drills of eight or more hours duration in any one calendar 2 day: travel expenses (other than mileage), as authorized by 3 law for Army personnel on active duty, for Army National 4 Guard division, regimental, and battalion commanders while 5 inspecting units in compliance with National Guard regulations when specifically authorized by the Chief, National 7 Guard Bureau; supplying and equipping the Army National 8 Guard of the several States, Territories, and the District of 9 Columbia, as authorized by law; and expenses of repair, 10 modification, maintenance, and issue of supplies and equip-11 ment (including aircraft); \$218,530,000: Provided, That 12 in addition, the Secretary of the Army may transfer not to 13 14 exceed \$25,000,000 to this appropriation from the appropriation "Procurement and Production, Army": Provided fur-15 ther, That obligations may be incurred under this appro-16 17 priation for installation, maintenance, and operation of 18 facilities for antiaircraft defense without regard to section 67 of the National Defense Act. 19 20

RESEARCH AND DEVELOPMENT

21 For expenses necessary for basic and applied scientific 22 research and development, including maintenance, rehabili-23 tation, lease and operation of facilities and equipment, as 24 authorized by law, \$345,000,000, to remain available until 25 expended.

1	NATIONAL BOARD FOR THE PROMOTION OF RIFLE
2	PRACTICE, ARMY
3	For necessary expenses of construction, equipment
4	and maintenance of rifle ranges, the instruction of citizens
5	in marksmanship, and promotion of rifle practice, in accord-
6	ance with law, including travel of rifle teams, military
7	personnel, and individuals attending regional, national, and
8	international competitions, and not to exceed \$18,000 for
9	incidental expenses of the National Board, \$100,000: Pro-
10	vided, That travel expenses of civilian members of the
11	National Board shall be paid in accordance with the Stand-
12	ardized Government Travel Regulations, as amended.
13	ALASKA COMMUNICATION SYSTEM
14	OPERATION AND MAINTENANCE
15	For expenses necessary for the operation, maintenance
16	and improvement of the Alaska Communication System
17	including purchase (not to exceed two for replacement
18	only) and hire of passenger motor vehicles, \$4,235,000
19	to remain available until the close of the fiscal year 1956
20	and, in addition, not to exceed 15 per centum of the curren
21	fiscal year receipts of the Alaska Communication System
22	may be merged with and used for the purposes of this
23	appropriation.

1	REDUCTIONS IN APPROPRIATIONS
2	PROCUREMENT AND PRODUCTION
3	The sum of \$500,000,000 of funds heretofore appro-
4	priated under this head is hereby rescinded, such sum to be
5	covered into the Treasury immediately upon approval of this
6	Act.
7	ARMY STOCK FUND
8	The amount available in the Army Stock Fund is hereby
9	reduced by \$300,000,000, such sum to be covered into the
10	Treasury immediately upon approval of this Act.
11	TITLE V
12	DEPARTMENT OF THE NAVY
13	MILITARY PERSONNEL, NAVY
14	For pay, allowances, subsistence, interest on deposits,
15	gratuities, clothing, permanent change of station travel (in-
16	cluding expenses of temporary duty between permanent duty
17	stations), training duty travel of midshipmen paid hereunder,
18	and transportation of dependents, household effects, and
19	privately owned automobiles, as authorized by law, for
20	regular and reserve personnel on active duty (except those
21	on active duty while undergoing reserve training), mid-
22	shipmen at the Naval Academy, and aviation cadets,
23	\$2,417,000,000.

1		MILITARY	Personnel,	NAVAL	RESERVE
	-				

2 For pay, allowances, clothing, subsistence, gratuities,

3 and travel, as authorized by law, for personnel of the Naval

4 Reserve on active duty while undergoing reserve training,

5 or while performing drills or equivalent duty, regular and

6 contract enrollees in the Naval Reserve Officers' Training

7 Corps, and retainer pay authorized by the Act of August

8 13, 1946 (34 U. S. C. 1020h), \$78,100,000.

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NAVY PERSONNEL, GENERAL EXPENSES

10 For expenses necessary for general training, education 11 and administration of regular and reserve personnel, includ-12 ing tuition, cash book allowances of not to exceed \$50 for 13 each Naval Aviation College program student, and other costs incurred at civilian schools, general training aids and 14 devices, procurement of military personnel, and authorized 15 annuity premiums and retirement benefits for civilian mem-16 bers of teaching staffs; maintenance and operation of Navy 17 training and personnel facilities, including the Naval Acad-18 emy, Naval Postgraduate School, Naval War College, Naval 19 Home, Navy training schools and facilities, disciplinary 20 barracks, and retraining commands; rent; hire of motor 21 vehicles; not to exceed \$30 per person for civilian clothing, 22 including an overcoat when necessary, for enlisted personnel 23 discharged otherwise than honorably; welfare and recreation; 24

- 1 medals and other awards; and departmental salaries;
- 2 \$74,970,000 \$75,030,000.
- 3 MILITARY PERSONNEL, MARINE CORPS
- 4 For pay, allowances, subsistence, interest on deposits,
- 5 gratuities, clothing, permanent change of station travel (in-
- 6 cluding expenses of temporary duty between permanent duty
- 7 stations), and transportation of dependents, household
- 8 effects, and privately owned automobiles, as authorized by
- 9 law, for regular and reserve personnel on active duty (ex-
- 10 cept those on active duty while undergoing reserve training),
- 11 \$612,180,600.
- 12 MILITARY PERSONNEL, MARINE CORPS RESERVE
- For pay, allowances, clothing, subsistence, gratuities,
- 14 and travel, as authorized by law, for personnel of the Marine
- 15 Corps Reserve and the Marine Corps platoon leaders class
- on active duty while undergoing reserve training, or while
- performing drills or equivalent duty, \$16,750,000.
- MARINE CORPS TROOPS AND FACILITIES
- For necessary expenses of troops and facilities of the
- 20 Marine Corps not otherwise provided for, including main-
- 21 tenance and operation of equipment and facilities, and pro-
- 22 curement of military personnel; training and education of
- 23 regular and reserve personnel, including tuition and other
- 24 costs incurred at civilian schools; welfare and recreation;

- 1 not to exceed \$30 per person for civilian clothing, including
- 2 an overcoat when necessary, for enlisted personnel dis-
- 3 charged otherwise than honorably; procurement and manu-
- 4 facture of military supplies, equipment and clothing; hire of
- 5 passenger motor vehicles; transportation of things; industrial
- 6 mobilization; rent; medals, awards, emblems and other in-
- 7 signia; care of the dead; and departmental salaries;
- 8 \$167,994,500.

9

15

MARINE CORPS PROCUREMENT

- 10 For expenses necessary for the procurement, manufac-
- 11 ture, and modification of armament, ammunition, mili-
- 12 tary equipment and vehicles for the Marine Corps, in-
- 13 cluding purchase of passenger motor vehicles; \$129,974,000,
- 14 to remain available until expended.

AIRCRAFT AND FACILITIES

- For expenses necessary for maintenance, operation, and
- 17 modification of aircraft; maintenance, operation, and lease
- 18 of air stations and facilities, testing laboratories, fleet and
- 19 other aviation activities; procurement of services, supplies,
- 20 special clothing, tools, materials, and equipment, including
- 21 rescue boats; industrial mobilization; aerological services,
- 22 supplies, and equipment for the Navy and Marine Corps;
- 23 and departmental salaries; \$775,895,500 \$785,895,500.

AIRCRAFT AND RELATED PROCUREMENT

1

For construction, procurement, and modernization of air-2 craft and equipment, including ordnance, spare parts, and 3 accessories therefor: expansion of public and not to exceed 4 \$10,000,000 for expansion of private plants, including the 5 land necessary therefor, without regard to section 3734, 6 Revised Statutes, as amended, and such land, and interests 7 therein, may be acquired and construction prosecuted thereon 8 prior to approval of title by the Attorney General as required 9 by section 355, Revised Statutes, as amended; procurement 10 and installation of equipment in public or private plants; and 11 departmental salaries necessary for the purposes of this appro-12 priation, to remain available until expended; \$1,973,568,000: 13 14 Provided, That \$700,000 of the foregoing amount shall be 15 transferred to the appropriation "Salaries and expenses, 16 Weather Bureau, Department of Commerce', fiscal year 17 1955. 18

SHIPS AND FACILITIES

19 For expenses necessary for design, maintenance, opera-20 tion, and alteration of vessels; maintenance and operation of 21 facilities; procurement of plant equipment, appliances, and 22 machine tools, and installation thereof in public or private H. R. 8873——3

- 1 plants; procurement of equipment, supplies, special clothing
- and services; installation, maintenance, and removal of ships'
- 3 ordnance; lease of facilities and docks; charter and hire of
- 4 vessels; relief of vessels in distress; maritime salvage serv-
- 5 ices; industrial mobilization; and departmental salaries;
- 6 \$818,681,000, of which \$15,675,000 shall be transferred to
- 7 the appropriation "Coast Guard Operating Expenses, 1955"
- 8 for the operation of ocean stations.

9

15

CONSTRUCTION OF SHIPS

- For an additional amount for "Construction of Ships",
- \$57,600,000, to remain available until expended: Provided,
- 12 That the total of obligations incurred under this head for
- 13 construction, conversion, or replacement, approved after July
- 14 17, 1947, shall not exceed \$1,251,861,000.

SHIPBUILDING AND CONVERSION

- 16 For expenses necessary for the construction, acquisition,
- 17 or conversion of vessels as authorized by law, including
- 18 armor and armament therefor, plant equipment, appliances,
- 19 and machine tools, and installation thereof in public or pri-
- 20 vate plants; designs for vessels to be constructed or converted
- 21 in the future; and departmental salaries necessary for the
- 22 purposes of this appropriation; \$1,042,400,000, to remain
- 23 available until expended: Provided, That the total of obliga-
- 24 tions incurred under the heads "Shipbuilding and conversion"
- 25 and "Ordnance for shipbuilding and conversion", including

- 1 those incurred against reimbursements credited to these ap-
- 2 propriations pursuant to section 403 (b) of the Mutual De-
- 3 fense Assistance Act of 1949, as amended (22 U.S. C. 1574
- 4 (b)), shall not exceed \$4,370,504,000.

ORDNANCE AND FACILITIES

- 6 For expenses necessary for the production and procure-
- 7 ment of Navy ordnance and ammunition (except ordnance
- 8 for new aircraft, new ships, and ships authorized for conver-
- 9 sion); alteration, preservation, and handling of ordnance
- 10 and ammunition; maintenance of ordnance (except installa-
- 11 tion, maintenance, and removal of ships' ordnance, and line
- 12 maintenance of ordnance installed in aircraft); maintenance
- 13 and operation of ordnance facilities; procurement of equip-
- 14 ment, supplies, special clothing and services; procurement
- 15 of plant equipment, appliances, and machine tools, and in-
- 16 stallation thereof in naval or private plants; lease of facil-
- 17 ities; industrial mobilization; and departmental salaries;
- 18 \$457,436,000.

5

- 19 Ordnance for New Construction (Liquidation of
- 20 CONTRACT AUTHORIZATION)
- 21 For liquidation of obligations incurred pursuant to
- authority heretofore granted under this head, \$34,000,000,
- 23 to remain available until expended: Provided, That this
- 24 amount may be disbursed through the appropriation
- ²⁵ "Ordnance for New Construction, Navy".

1 MEDICAL CARE

11

21

For expenses necessary for maintenance and operation 2 of naval hospitals, medical centers, clinics, schools, research 3 facilities, and other medical activities; technical medical 4 support of the supply system and other naval activities; pro-5 curement of ambulances, medical and dental supplies, equip-6 ment and services; rent; instruction of medical personnel in 7 naval hospitals, naval schools, and civilian schools; industrial 8 mobilization; care of the dead; and departmental salaries; 9 \$63,600,000. 10

CIVIL ENGINEERING

12 For expenses necessary for maintenance and operation of district public works offices, public works centers, con-13 struction battalion centers, defense housing projects, other 14 civil engineering facilities, and shore activities not otherwise 15 provided for; procurement of services, supplies, and equip-16 ment for the foregoing activities; purchase and hire of 17 passenger motor vehicles; engineering services; industrial 18 mobilization; and departmental salaries; \$103,294,000 19 \$105,294,000. 20

MILITARY CONSTRUCTION, NAVAL RESERVE FORCES

For construction, acquisition, expansion, rehabilitation and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps,

- 1 including contributions therefor, as authorized by the Act of
- 2 September 11, 1950 (64 Stat. 829), without regard to
- 3 section 3734, Revised Statutes, as amended, and land and
- 4 interests therein may be acquired and construction prosecuted
- 5 thereon prior to the approval of title by the Attorney General
- 6 as required by section 355, Revised Statutes, as amended;
- 7 \$15,000,000, to remain available until expended.

8 FACILITIES

24

For expenses necessary for acquisition, construction, and 9 installation of production facilities and equipment, and test 10 11 facilities and equipment (other than those for research and development), including the land necessary therefor, with-12 out regard to section 3734, Revised Statutes, as amended, 13 14 and such land, and interests therein, may be acquired and 15 construction prosecuted thereon prior to the approval of 16 title by the Attorney General as required by section 355, 17 Revised Statutes, as amended, such amounts as may be de-18 termined by the Secretary of the Navy, and approved by the 19 Secretary of Defense and the Bureau of the Budget, and 20 said amounts shall be derived by transfer from any appro-21 priations available to the Department of the Navy, during 22 the current fiscal year for procurement of equipment for 23 installation or use in private plants: Provided, That the

total amount so transferred shall not exceed \$25,000,000.

1	RESEADOR	AND DE	EVELOPMENT
	DESEARCH	AND DE	VELOPMENT

	TENDERICH AND DEVELOUENT
2	For expenses necessary for basic and applied scientific
3	research and development, including maintenance, rehabilita-
4	tion, lease, and operation of facilities and equipment, as
5	authorized by law, \$419,874,900, to remain available until
6	expended: Provided, That the unexpended balances appro-
7	priated for research and development under the heads "Naval
8	Personnel, General Expenses", "Marine Corps, Troops and
9	Facilities", "Aircraft and Facilities", "Ships and Facilities",
10	"Ordnance and Facilities", "Medical Care", "Civil Engi-
11	neering", "Servicewide Supply and Finance, Navy" for the
12	fiscal years 1953 and 1954 and the unexpended balance of
13	appropriations under the head "Research" are hereby trans-
14	ferred to and merged with this appropriation, in such amounts
15	as may be recommended by the Secretary of Defense and
16	approved by the Director of the Bureau of the Budget.
17	SERVICE-WIDE SUPPLY AND FINANCE
18	For expenses necessary for maintenance and operation of
19	service-wide supply and finance activities, including supply
20	depots and centers, area provision supply and purchasing
21	offices, supply demand control points, fleet fueling facilities,
22	overseas air cargo terminals, regional accounting and dis-
23	bursing offices, the material catalog office, and other service-

wide supply and finance facilities, as designated by the Sec-

retary; procurement of supplies, services, special clothing,

24

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- 1 and equipment; rent, intra-Navy transportation of things;
- 2 transportation of household effects of civilian employees;
- 3 industrial mobilization; losses in exchange and in the ac-
- 4 counts of disbursing officers, as authorized by law; and
- 5 departmental salaries; \$340,300,000.

6

SERVICE-WIDE OPERATIONS

7 For expenses necessary for maintenance and operation of

8 the Naval Observatory, the Hydrographic Office, Service-

- 9 wide Communications, Naval Records Centers, Naval Dis-
- 10 trict Headquarters (except training officers), River Com-
- 11 mands, the cost inspection service, and other service-wide
- 12 operations and functions not otherwise provided for; procure-
- 13 ment of supplies, services and equipment for activities
- 14 financed hereunder; Latin-American cooperation; not to
- 15 exceed \$8,405,000 for emergencies and extraordinary ex-
- 16 penses as authorized by section 6 of the Act of August 2,
- 17 1946 (5 U.S. C. 419c), to be expended on the approval
- and authority of the Secretary, and his determination shall be
- 19 final and conclusive upon the accounting officers of the
- 20 Government; and departmental salaries; \$103,625,000
- ²¹ \$104,849,000.

22

NAVAL PETROLEUM RESERVES

- For expenses necessary for exploration, prospecting,
- 24 conservation, development, use, and operation of the naval
- 25 petroleum reserves, as authorized by law, \$3,575,000.

1	REDUCTIONS IN APPROPRIATIONS
2	NAVY STOCK FUND
3	The amount available in the Navy Stock Fund is hereby
4	reduced by \$200,000,000, such sum to be covered into the
5	Treasury immediately upon approval of this Act.
6	MARINE CORPS STOCK FUND
7	The amount available in the Marine Corps Stock Fund
8	is hereby reduced by \$25,000,000, such sum to be covered
9	into the Treasury immediately upon approval of this Act.
10	TITLE VI
11	DEPARTMENT OF THE AIR FORCE
12	AIRCRAFT AND RELATED PROCUREMENT
13	For construction, procurement, and modification of air-
14	craft and equipment, armor and armament, spare parts and
15	accessories therefor; specialized equipment; expansion of
16	public and private plants, Government-owned equipment and
17	installation thereof in such plants, erection of structures, and
18	acquisition of land without regard to section 1136, Revised
19	Statutes, as amended, for the foregoing and other purposes,
20	and such land, and interests therein, may be acquired and
21	construction prosecuted thereon prior to the approval of title
22	by the Attorney General as required by section 355, Revised
23	Statutes, as amended; industrial mobilization, including main-
24	tenance of reserve plants and equipment and procurement
25	planning; and other expenses necessary for the foregoing

- 1 purposes, including rents and transportation of things;
- 2 \$2,760,000,000, to remain available until expended.
- 3 MAJOR PROCUREMENT OTHER THAN AIRCRAFT
- 4 For procurement of supplies, materials, and equipment,
- 5 and spare parts therefor, not otherwise provided for; elec-
- 6 tronic and communication equipment; and the purchase of
- 7 passenger motor vehicles; \$674,364,000, to remain avail-
- 8 able until expended.

9 Research and Development

- 10 For expenses necessary for basic and applied scientific
- 11 research and development, including maintenance, rehabili-
- 12 tation, lease and operation of facilities and equipment, as
- 13 authorized by law, \$409,450,000 \$431,000,000, to remain
- 14 available until expended.

15 MAINTENANCE AND OPERATIONS

- For expenses necessary for the maintenance, operation,
- and administration of the activities of the Air Force,
- 18 including the Air Force Reserve and the Air Reserve
- 19 Officers' Training Corps; maintenance, operation, and modifi-
- 20 cation of aircraft; transportation of things; rents at the seat of
- 21 government and elsewhere, and in administering the provi-
- sions of 43 U.S. C. 315g payments of rents may be made
- in advance; repair of facilities; field printing plants; procure-
- 24 ment of ambulances; hire of passenger motor vehicles;

recruiting advertising expenses; training and instruction of 1 2 military personnel of the Air Force, including tuition and 3 related expenses: pay, allowances, and travel expenses of contract surgeons; utility services for buildings erected at 4 private cost as authorized by law (10 U.S. C. 1346), and 5 6 buildings on military reservations authorized by Air Force 7 regulations to be used for welfare and recreational purposes; 8 rental of land or purchase of options to rent land without 9 reference to section 3648, Revised Statutes, as amended, use 10 or repair of private property, and other necessary expenses of combat maneuvers; organizational clothing and equipage; 11 12 civilian clothing not to exceed \$30 in cost for each person upon 13 each release from a military prison, each enlisted man dis-14 charged other than honorably, each enlisted man sentenced by 15 a civil court to confinement in a civil prison, and each enlisted 16 man interned, or discharged without internment as an alien 17 enemy; authorized issues of articles for use of applicants for 18 enlistment and persons in military custody; payment of 19 exchange fees and exchange losses incurred by Air Force 20 disbursing officers or their agents; losses in the accounts of 21 Air Force disbursing officers as authorized by law (31 22 U. S. C. 95a; 50 U. S. C. 1705-1707); burial of the dead as 23 authorized by law (10 U.S. C. 916-916d; 5 U.S. C. 103a), 24 including remains of personnel of the Air Force of the United 25 States who die while on active duty, travel allowances of

- 1 attendants accompanying remains, and acquisition by lease or
- 2 otherwise of temporary burial sites; chaplain and other
- 3 welfare and morale supplies and equipment; conduct of
- 4 schoolrooms, service clubs, chapels, and other instructional,
- 5 entertainment, and welfare expenses for enlisted men and
- 6 patients not otherwise provided for; awards and decorations;
- 7 expenses of courts, boards and commissions; expenses for
- 8 inter-American cooperation as authorized for the Navy by the
- 9 Act of August 2, 1946 (5 U.S. C. 421f), for Latin-Ameri-
- 10 can cooperation; and special services by contract or other-
- 11 wise; \$3,402,792,000 \$3,544,792,000.

12 MILITARY PERSONNEL

- For pay, allowances, clothing, subsistence, transporta-
- 14 tion, interest on deposits of enlisted personnel, and travel in
- 15 kind for cadets and permanent change of station travel for
- all other personnel of the Air Force of the United States
- on active duty including duty under section 5, National
- 18 Defense Act, as amended, or section 252 of the Armed
- ¹⁹ Forces Reserve Act of 1952 (50 U. S. C. 1003) (other
- than personnel of the reserve components, including the Air
- ²¹ National Guard, on active duty while undergoing reserve
- 22 training), including commutation of quarters, subsistence
- supplies for issue as rations to enlisted personnel, and clothing
- allowances, as authorized by law; and, in connection with
- 25 personnel paid from this appropriation, for rental of camp

1 sites and local procurement of utility services and other nec-2 essary expenses incident to individual or troop movements (including packing and unpacking and transportation of 3 organizational equipment); ice, meals for recruiting parties, 4 monetary allowances for liquid coffee for troops when sup-5 plied cooked or travel rations, and commutation of rations, 6 7 as authorized by law, to enlisted personnel, including those 8 sick in hospitals; transportation, as authorized by law, of dependents, baggage, and household effects of personnel paid 9 from this appropriation; rations for applicants for enlistment, 10 11 prisoners of war, and general prisoners; subsistence supplies 12 for resale, as authorized by law; commutation of rations, as authorized by regulations, to applicants for enlistment, and 13 14 general prisoners, while sick in hospitals; subsistence of 15 supernumeraries necessitated by emergent military circum-16 stances; expenses of apprehension and delivery of deserters, 17 prisoners, and members of the Air Force absent without 18 leave, including payment of rewards (not to exceed \$25 in 19 any one case); confinement of military prisoners in non-20 military facilities; and donations of not to exceed \$25 to each 21 civilian prisoner upon each release from a military prison, to 22 each enlisted man discharged otherwise than honorably upon 23each release from confinement under court-martial sentence, 24 and to each person discharged for fraudulent enlistment, 25 \$3,356,704,000.

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RESERVE PERSONNEL

For pay, allowances, clothing, subsistence, and travel 2 for personnel of the Air Force Reserve and the Air Reserve 3 Officers' Training Corps, while on active duty undergoing 4 reserve training or while performing drills or equivalent 5 duty, as authorized by law; and the procurement and issue 6 of uniforms to institutions necessary for the training of the 7 Air Reserve Officers' Training Corps, as authorized by law; 8 \$28,000,000: Provided, That in addition, the Secretary of 9 the Air Force may transfer not to exceed \$5,000,000 to this 10 appropriation from any appropriation available to the 11 Department of the Air Force for obligation. 12

AIR NATIONAL GUARD

For pay, allowances, clothing, subsistence, transporta-14 tion (including mileage, actual and necessary expenses, or 15 per diem in lieu thereof), medical and hospital treatment and 16 related expenses, for members of the Air National Guard 17 while undergoing Reserve training or while performing drills 18 19 or equivalent duty, as authorized by law; travel expenses (other than mileage) on the same basis as authorized by 20 law for Air National Guard personnel on active Federal 21 duty, of Air National Guard commanders while inspecting 22 units in compliance with National Guard regulations when 23 specifically authorized by the Chief, National Guard Bureau: 24

establishment, maintenance, operation, repair, and other 1 necessary expenses of facilities for the training and adminis-2 3 tration of the Air National Guard, including construction of 4 facilities, and additions, extensions, alterations, improve-5 ments, and rehabilitation of existing facilities, as authorized by the Act of September 11, 1950 (Public Law 783); main-6 tenance, operation, and modification of aircraft; transporta-7 tion of things; purchase and hire of passenger motor vehicles; 8 procurement and issue to the Air National Guard of the 9 10 several States, Territories, and the District of Columbia of supplies, materials, and equipment, as authorized by law; 11 and expenses incident to the maintenance and use of sup-12 plies, materials, and equipment, including such as may be 13 14 furnished from stocks under the control of agencies 15 of the Department of Defense; \$160,000,000: Provided, 16 That in addition, the Secretary of the Air Force may trans-17 fer not to exceed \$9,000,000 to this appropriation from any 18 appropriation available to the Department of the Air Force 19 for obligation: Provided further, That the number of care-20 takers authorized to be employed under the provisions of 21 law (32 U. S. C. 42) may be such as is deemed necessary 22by the Secretary of the Air Force. 23

CONTINGENCIES

24 For emergencies and military expenses, to be expended 25 on the authority or approval of the Secretary of the Air

1 Force, and such expenses may be accounted for solely	1	solely on
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REDUCTION IN APPROPRIATION

4 AIR FORCE STOCK FUND

5 The amount available in the Air Force Stock Fund is 6 hereby reduced by \$25,000,000, such sum to be covered

7 into the Treasury immediately upon approval of this Act.

8 TITLE VII

9

22

GENERAL PROVISIONS

10 Sec. 701. During the current fiscal year, the Secretary 11 of Defense and the Secretaries of the Air Force, Army, and 12 Navy, respectively, if they should deem it advantageous to 13 the national defense, and if in their opinions, the existing facilities of the Department of Defense are inadequate, are 14 15 authorized to procure services in accordance with section 15 of the Act of August 2, 1946 (5 U.S. C. 55a), but at rates 16 for individuals not in excess of \$50 per day, and to pay in 17 18 connection therewith travel expenses of individuals, including 19 actual transportation and per diem in lieu of subsistence 20 while traveling from their homes or places of business to 21 official duty station and return as may be authorized by law:

SEC. 702. Section 3648, Revised Statutes, shall not apply in the case of payments made from appropriations contained in this Act, (1) to payments made in compliance

Provided, That such contracts may be renewed annually.

- 1 with the laws of foreign countries or their ministerial regu-
- 2 lations, (2) to payments for rent in such countries for such
- 3 periods as may be necessary to accord with local custom, or
- 4 (3) to payments made for tuition.
- 5 Sec. 703. During the current fiscal year, provisions of
- 6 law prohibiting the payment of compensation to, or employ-
- 7 ment of, any person not a citizen of the United States shall
- 8 not apply to personnel of the Department of Defense.
- 9 Sec. 704. Such military and naval personnel as may be
- 10 detailed for duty with agencies not a part of the Department
- 11 of Defense on a reimbursement basis may be employed in ad-
- 12 dition to the numbers otherwise authorized and appropriated
- 13 for.
- 14 Sec. 705. Appropriations contained in this Act shall
- 15 be available for insurance of official motor vehicles in
- 16 foreign countries, when required by laws of such countries;
- payments in advance of expenses determined by the investi-
- 18 gating officer to be necessary and in accord with local custom
- 19 for conducting investigations in foreign countries incident
- 20 to matters relating to the activities of the department con-
- 21 cerned; reimbursement of General Services Administration
- ²² for security guard services for protection of confidential files;
- and all necessary expenses, at the seat of government of the
- 24 United States of America or elsewhere, in connection with
- 25 (1) instruction and training, including tuition, specifically

approved by the Secretary of the Department concerned 1 and not otherwise provided for, of civilian employees, and 2 (2) communication and other services and supplies as may 3 be necessary to carry out the purposes of this Act: Provided, 4 5 That no appropriation contained in this Act, and no funds available from prior appropriations to component depart-6 ments and agencies of the Department of Defense, shall be 7 used to pay tuition or to make other payments to educational 8 9 institutions in connection with the instruction or training of 10 file clerks, stenographers, and typists receiving, or prospec-11 tive file clerks, stenographers, and typists who will receive 12 compensation at a rate below the minimum rate of pay for positions allocated to grade GS-5 under the Classification 13 Act of 1949, as amended. 14 15 SEC. 706. Any appropriation available to the Air 16 Force, Army, or the Navy may, under such regulations 17 as the Secretary concerned may prescribe, be used for ex-18 penses incident to the maintenance, pay, and allowances of 19 prisoners of war, other persons in Air Force, Army, or Navy 20 custody whose status is determined by the Secretary con-21cerned to be similar to prisoners of war, and persons de-22 tained in such custody pursuant to Presidential proclamation. 23 SEC. 707. Appropriations available to the Depart-24 ment of Defense for the current fiscal year for construc-25 tion or maintenance shall be available for minor construction

(except family quarters), conversion of and extensions to 1 existing structures, and improvements, at facilities of 2 the Department concerned, but the cost of any project author-3 ized under this section which is not otherwise authorized 4 shall not exceed the following cost limitations, but only one 5 allotment shall be made for any one project or unit: (a) any 6 such project determined by the Secretary of Defense to be 7 urgently required in the interests of national defense, \$200,-8 000; (b) any such project determined by the Secretary of 9 the Department concerned to be urgently required in the 10 interests of national defense, \$50,000; and (c) any other 11 such project, \$25,000: Provided, That the cost limitations 12 of this section shall not apply to amounts authorized to 13 14 be expended for emergency expenses on the approval of the 15 Secretary concerned: Provided further, That the cost of con-16 verting existing structures to family quarters pursuant to the 17 authority contained in this section shall not exceed \$50,000 18 during the current fiscal year at any single facility of the 19 Department concerned. 20 Sec. 708. During the current fiscal year, priations otherwise available for construction of family 21 22quarters for personnel shall not be obligated for such construc-23 tion at a cost per family unit in excess of \$14,040 on housing 24 units for generals; \$12,040 on housing units for majors,

lieutenant colonels and colonels, or equivalent; \$11,040 on

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- 1 housing units for second lieutenants, lieutenants, captains, and
- 2 warrant officers, or equivalent; or \$10,040 on housing units
- 3 for enlisted personnel, except that when such units are con-
- 4 structed outside the continental United States or in Alaska,
- 5 the average cost per unit of all such units shall not exceed
- 6 \$25,850 and in no event shall the individual cost exceed
- 7 \$35,000, except units for the Alaska Communications System
- 8 the individual cost of which shall not exceed \$40,000.
- 9 Sec. 709. Appropriations for the Department of De-
- 10 fense for the current fiscal year shall be available, (a)
- 11 except as authorized by the Act of September 30, 1950
- 12 (20 U.S. C. 236-244), for primary and secondary school-
- 13 ing for dependents of military and civilian personnel of the
- 14 Department of Defense residing on military or naval installa-
- 15 tions or stationed in foreign countries, as authorized for the
- 16 Navy by section 13 of the Act of August 2, 1946 (5
- 17 U.S. C. 421d) in amounts not exceeding an average of
- 18 \$225 \$237.50 per student, when the Secretary of the Depart-
- 19 ment concerned finds that schools, if any, available in the
- 20 locality, are unable to provide adequately for the education of
- 21 such dependents; (b) for expenses in connection with admin-
- 22 istration of occupied areas; (c) for payment of rewards as
- 23 authorized for the Navy by the Act of August 2, 1946, for
- 24 information leading to the discovery of missing naval
- 25 property or the recovery thereof; (d) for payment of de-

- 1 ficiency judgments and interest thereon arising out of
- 2 condemnation proceedings.
- 3 SEC. 710. No part of any appropriation contained
- 4 in this Act shall be used directly or indirectly except
- 5 for temporary employment in case of emergency, for the
- 6 payment of any civilian for services rendered by him on the
- 7 Canal Zone while occupying a skilled, technical, clerical,
- 8 administrative, executive, or supervisory position unless such
- 9 person is a citizen of the United States of America or of the
- 10 Republic of Panama: Provided however, (1) That, not-
- 11 withstanding the provision in the Act approved August 11,
- 12 1939 (53 Stat. 1409), limiting employment in the above-
- 13 mentioned positions to citizens of the United States from and
- 14 after the date of approval of said Act, citizens of Panama
- 15 may be employed in such positions; (2) that at no time
- 16 shall the number of Panamanian citizens employed in the
- 17 above-mentioned positions exceed the number of citizens of
- 18 the United States so employed, if United States citizens are
- 19 available in continental United States or on the Canal Zone;
- 20 (3) that nothing in this Act shall prohibit the continued
- 21 employment of any person who shall have rendered fifteen
- or more years of faithful and honorable service on the Canal
- 23 Zone; (4) that in the selection of personnel for skilled,
- ²⁴ technical, administrative, clerical, supervisory, or executive
- 25 positions the controlling factors in filling these positions shall

be efficiency, experience, training, and education; (5) that 1 all citizens of Panama and the United States rendering 2 skilled, technical, clerical, administrative, executive, or 3 supervisory service on the Canal Zone under the terms of 4 this Act (a) shall normally be employed not more than 5 6 forty hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employ-7 ment in continental United States plus 25 per centum; 8 (6) this entire section shall apply only to persons employed 9 in skilled, technical, clerical, administrative, executive, or 10 supervisory positions on the Canal Zone directly or indirectly 11 by any branch of the United States Government or by any 12 corporation or company whose stock is owned wholly or in 13 14 part by the United States Government: Provided further, 15 That the President may suspend from time to time in whole 16 or in part compliance with this section if he should deem 17 such course to be in the public interest. 18 Sec. 711. Insofar as practicable, the Secretary of 19 Defense shall assist American small business to participate 20 equitably in the furnishing of commodities and services 21 financed with funds appropriated under this Act by making 22 available or causing to be made available to suppliers in the 23 United States, and particularly to small independent enter-24 prises, information, as far in advance as possible, with re-

spect to purchases proposed to be financed with funds

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- 1 appropriated under this Act, and by making available or
- 2 causing to be made available to purchasing and contracting
- 3 agencies of the Department of Defense information as to
- 4 commodities and services produced and furnished by small
- 5 independent enterprises in the United States, and by other-
- 6 wise helping to give small business an opportunity to par-
- 7 ticipate in the furnishing of commodities and services
- 8 financed with funds appropriated by this Act.
- 9 Sec. 712. No appropriation contained in this Act
- 10 shall be available for expenses of operation of messes
- 11 (other than organized messes the operating expenses of
- 12 which are financed principally from nonappropriated funds)
- 13 at which meals are sold to officers or civilians except under
- 14 regulations approved by the Secretary of Defense, which
- 15 shall (except under unusual or extraordinary circumstances)
- 16 establish rates for such meals sufficient to provide reimburse-
- 17 ment of operating expenses and food costs to the appropria-
- 18 tions concerned: Provided, That officers and civilians in a
- 19 travel status receiving a per diem allowance in lieu of subsis-
- tence shall be charged at the rate of not less than \$2.25 per
- 21 day: Provided further, That for the purposes of this section
- 22 payments for meals at the rates established hereunder may
- 23 be made in cash or by deductions from the pay of civilian
- 24 employees.
- Sec. 713. No part of any appropriation contained

- 1 in this Act shall be available until expended unless
- 2 expressly so provided elsewhere in this or some other appro-
- 3 priation Act.
- 4 SEC. 714. No part of any appropriation con-
- 5 tained in this Act shall be available for or on account of the
- 6 supply or replacement of table linen, dishes, glassware, silver,
- 7 and kitchen utensils for use in the residences or quarters of
- 8 officers on shore (other than for field messes, messes tem-
- 9 porarily set up on shore for bachelor officers and officers
- 10 attached to seagoing or district defense vessels, to aviation
- 11 units based on seagoing vessels, to the fleet air bases, to the
- 12 submarine bases, or to landing forces and expeditions), ex-
- 13 cept in accordance with regulations approved by the Secre-
- 14 tary of Defense, which shall provide for uniform practices
- 15 among all of the services.
- 16 Sec. 715. Not more than \$40,000,000 of the amounts
- 17 received during the current fiscal year by the Department
- 18 of Defense as proceeds from the sale of scrap or salvage
- 19 materials, shall be available during the current fiscal year
- 20 for expenses of transportation, demilitarization, and other
- 21 preparation for sale or salvage of military supplies, equip-
- 22 ment, and matériel: Provided, That a report of receipts
- 23 and disbursements under this limitation shall be made quar-
- 24 terly to the Committees on Appropriations of the Congress:
- 25 Provided further, That no funds available to agencies of

- 1 the Department of Defense shall be used for the operation,
- 2 acquisition or construction of facilities in the continental
- 3 limits of the United States for metal scrap baling or shearing
- 4 or for melting or sweating aluminum scrap unless the
- 5 Secretary of Defense or an Assistant Secretary of Defense
- 6 designated by him determines, with respect to each facility
- 7 involved, that the operation of such facility must be continued
- 8 in the national interest.
- 9 SEC. 716. During the current fiscal year, the President
- 10 may exempt appropriations, funds, and contract authoriza-
- 11 tions, available for military functions under the Department
- 12 of Defense, from the provisions of subsection (c) of section
- 13 3679 of the Revised Statutes, as amended, whenever he
- 14 deems such action to be necessary in the interest of national
- 15 defense.
- SEC. 717. No appropriation contained in this Act shall
- 17 be available in connection with the operation of commissary
- 18 stores of the agencies of the Department of Defense for the
- 19 cost of purchase (including commercial transportation in the
- 20 United States to the place of sale but excluding all trans-
- 21 portation outside the United States) and maintenance of
- 22 operating equipment and supplies, and for the actual or
- estimated cost of utilities as may be furnished by the Govern-
- 24 ment and of shrinkage, spoilage, and pilferage of merchandise
- 25 under the control of such commissary stores, except as

authorized under regulations promulgated by the Secretaries 1 of the military departments concerned, with the approval of 2 the Secretary of Defense, which regulations shall provide 3 for reimbursement therefor to the appropriations concerned 4 and, notwithstanding any other provision of law, shall pro-5 vide for the adjustment of the sales prices in such com-6 missary stores to the extent necessary to furnish sufficient 7 8 gross revenue from sales of commissary stores to make such 9 reimbursement: Provided, That under such regulations as 10 may be issued pursuant to this section all utilities may be 11 furnished without cost to the commissary stores outside the 12 continental United States and in Alaska: Provided further, 13 That no appropriation contained in this Act shall be avail-14 able in connection with the operation of commissary stores 15 within the continental United States unless the Secretary of 16 Defense has certified that items normally procured from com-17 missary stores are not otherwise available at a reasonable 18 distance and a reasonable price in satisfactory quality 19 and quantity to the military and civilian employees of the 20 Department of Defense. 21 SEC. 718. No part of any appropriation contained 22 in this Act shall be used to pay the salary or wages of any 23 person who engages in a strike against the Government of the 24 United States or who is a member of an organization of 25 Government employees that asserts the right to strike against

the Government of the United States, or who advocates, or 1 2 is a member of an organization that advocates, the over-3 throw of the Government of the United States by force or 4 violence: Provided, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person 5 making the affidavit has not contrary to the provisions of 6 this section engaged in a strike against the Government of the 7 United States, is not a member of an organization of Govern-8 9 ment employees that asserts the right to strike against the Government of the United States, or that such person does 10 not advocate, and is not a member of an organization that 11 advocates, the overthrow of the Government of the United 12 States by force or violence: Provided further, That any per-13 14 son who engages in a strike against the Government of the 15 United States or who is a member of an organization of 16 Government employees that asserts the right to strike against 17 the Government of the United States, or who advocates, or 18 who is a member of an organization that advocates, the over-19 throw of the Government of the United States by force or 20 violence and accepts employment the salary or wages for 21 which are paid from any appropriation contained in this Act 22 shall be guilty of a felony and, upon conviction, shall be 23 fined not more than \$1,000 or imprisoned for not more than 24 one year, or both: Provided further, That the above penalty

- 1 clause shall be in addition to, and not in substitution for, any
- 2 other provisions of existing law.
- 3 SEC. 719. Hereafter, no part of any money appropriated
- 4 to the Department of Defense shall be expended under any
- 5 contract (other than a contract for personal services)
- 6 entered into after the enactment of this Act unless such con-
- 7 tract provides—

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- (1) that the Government may, by written notice 8 to the contractor, terminate the right of such contractor 9 to proceed under such contract if it is found, after notice 10 11 and hearing, by the Secretary of the military department with which the contract is made, or his designee, that 12 gratuities (in the form of entertainment, gifts, or other-13 14 wise) were offered or given by such contractor, or any 15 agent or representative of such contractor, to any officer 16 or employee of the Government with a view toward 17 securing a contract or securing favorable treatment with 18 respect to the awarding or amending, or the making 19 of any determinations with respect to the performing, 20 of such contract: Provided, That the existence of the 21 facts upon which such Secretary makes such findings 22 shall be in issue and may be reviewed in any competent 23 court.
 - (2) that in the event any such contract is so

terminated the Government shall be entitled, (a) to 1 2 pursue the same remedies against the contractor as it 3 could pursue in the event of a breach of the contract by 4 the contractor, and (b) as a penalty in addition to any 5 other damages to which it may be entitled by law, to 6 exemplary damages in an amount not less than three 7 nor more than ten times (as determined by the Secre-8 tary or his designee) the costs incurred by any such 9 contractor in providing any such gratuities to any such 10 officer or employee. 11 SEC. 720. No funds appropriated in titles II, IV, V, and VI of this Act shall be used for the payment in excess of 12 475,000 full-time graded civilian employees (including (a) 13 14 the full-time equivalent of part-time employment, (b) per-15 sons who are described as "consultants" or who are com-16 pensated on a "when actually employed" basis if such 17 persons are employed on a contract basis or are paid on 18 a per diem basis, and (c) persons employed without com-19 pensation if they are reimbursed for expenses) at any 20 one time during the current fiscal year: Provided, That 21 whenever, in the opinion of the Secretary of the Military 22 Department concerned, the direct substitution of graded 23civilian personnel for an equivalent or greater number of 24military personnel will result in economy without adverse 25 effect upon national defense; such substitution may be accom-

plished without regard to the foregoing limitation, and such 1 funds as may be required to accomplish the substitution may 2 be transferred from the appropriate military personnel ap-3 propriation to, and merged with, the appropriation charged 4 with compensation of such graded civilian personnel Pro-5 vided, That whenever, in the opinion of the Secretary of the 6 Military Department concerned, the direct substitution of 7 non-military personnel for an equivalent number of military 8 9 personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished with-10 out regard to the foregoing limitation, and such funds, as 11 12 may be required to accomplish the substitution, may be transferred from the appropriate military personnel appropriation 13 to, and merged with, the appropriation charged with the 14 15 compensation of such civilian personnel. 16 SEC. 721. Notwithstanding any other provision of law, 17 executive order, or regulation, no part of the appropria-18 tions in this Act shall be available for any expenses of 19 operating aircraft under the jurisdiction of the Armed 20 Forces for the purpose of proficiency flying except in 21 accordance with regulations issued by the Secretaries of 22 the Departments concerned and approved by the Secretary 23 of Defense which shall establish proficiency standards and 24 maximum and minimum flying hours for this purpose: 25 Provided, That during the fiscal year, without regard to any

- 1 provision of law or executive order prescribing minimum
- 2 flight requirements, such regulations may provide for the pay-
- 3 ment of flight pay at the rates prescribed in section 204 (b)
- 4 of the Career Compensation Act of 1949 (63 Stat. 802) to
- 5 certain officers of the Armed Forces otherwise entitled to
- 6 receive flight pay (1) who have held aeronautical ratings
- 7 or designations for not less than twenty years, or (2) whose
- 8 particular assignment outside the United States makes it im-
- 9 practical to participate in regular aerial flights.
- 10 Sec. 722. No part of any appropriation contained in this
- 11 Act shall be available for expense of transportation, pack-
- 12 ing, crating, temporary storage, drayage, and unpacking
- 13 of household goods and personal effects in excess of eleven
- 14 thousand pounds net in any one shipment: Provided, That
- 15 the limitations imposed herein shall not be applicable in the
- 16 case of members transferred to or serving in stations outside
- 17 the continental United States or in Alaska under orders
- 18 relieving them from a duty station within the United States
- 19 prior to July 10, 1952, and who are returned to the United
- 20 States under orders relieving them from a duty station
- 21 beyond the United States or in Alaska on or after July 1,
- 22 1953.
- 23 Sec. 723. Vessels under the jurisdiction of the De-
- 24 partment of Commerce, the Department of the Army, the
- 25 Department of the Air Force, or the Department of the

- 1 Navy may be transferred or otherwise made available with-
- 2 out reimbursement to any of such agencies upon the request
- 3 of the head of one agency and the approval of the agency
- 4 having jurisdiction of the vessels concerned.
- 5 Sec. 724. None of the funds provided in this Act shall
- 6 be available for training in any legal profession nor for the
- 7 payment of tuition for training in such profession: Provided,
- 8 That nothing contained in this Act shall prohibit persons now
- 9 attending law courses from completing same: Provided fur-
- 10 ther, That this limitation shall not apply to the off-duty train-
- 11 ing of military personnel as prescribed by section 730 of this
- 12 Act.
- 13 Sec. 725. Funds provided in this Act for public infor-
- 14 mation and public relations shall not exceed \$3,500,000.
- 15 Sec. 726. Not more than 20 per centum of the appro-
- 16 priations in this Act which are limited for obligation during
- 17 fiscal year 1955 shall be obligated during the last two
- 18 months of the fiscal year: Provided, That this section shall
- 19 not apply to active duty training of civilian components.
- SEC. 727. During the fiscal year 1955, the agencies
- 21 of the Department of Defense may accept the use of real
- 22 property from foreign countries for the United States in
- 23 accordance with mutual defense agreements or occupa-
- 24 tional arrangements and may accept services furnished by
- 25 foreign countries as reciprocal international courtesies or as

- 1 services customarily made available without charge; and
- 2 such agencies may use the same for the support of the
- 3 United States forces in such areas without specific appro-
- 4 priation therefor.
- In addition to the foregoing, agencies of the Depart-
- 6 ment of Defense may accept real property, services, and
- 7 commodities from foreign countries for the use of the United
- S States in accordance with mutual defense agreements or
- 9 occupational arrangements and such agencies may use the
- 10 same for the support of the United States forces in such
- 11 areas without specific appropriation therefor: Provided,
- 12 That within thirty days after the end of each quarter the
- 13 Secretary of Defense shall render to the Committees on
- 14 Appropriations of the Senate and the House of Representa-
- 15 tives and to the Bureau of the Budget a full report of
- such property, supplies, and commodities received during
- 17 such quarter.
- 18 Sec. 728. During the current fiscal year, appropriations
- 19 available to the Department of Defense for research and de-
- velopment may be used for the purposes of section 4 of the
- ²¹ Act of July 16, 1952 (66 Stat. 725).
- SEC. 729. Hereafter, no part of the funds appropriated
- 23 to the Department of Defense shall be available for the pay-
- 24 ment to any person in the military service who is resident of
- 25 a United States Territory or possession, of any foreign duty

- 1 allowances above the authorized allowances for comparable
- 2 rating in the continental United States unless such person
- 3 is serving in an area outside the Territory or possession of
- 4 which he is a resident.
- 5 Sec. 729. Hereafter, no part of the funds appropriated
- 6 to the Department of Defense shall be available for the pay-
- 7 ment to any person in the military service who is resident of a
- 8 United States Territory or possession, of (1) any foreign
- 9 duty pay as prescribed in section 206 of the Career Compen-
- 10 sation Act (Public Law 351, Eighty-first Congress), unless
- 11 such person is serving in an area outside the Territory or
- 12 possession of which he is a resident, or (2) authorized station
- 13 allowances for quarters and subsistence unless such person is
- 14 serving in an area outside the Territory or possession of which
- 15 he is a resident or in Alaska or in the Territory of Hawaii.
- Sec. 730. No appropriation contained in this Act shall
- be available for the payment of more than 75 per centum
- of charges of educational institutions for tuition or expenses
- 19 for off-duty training of military personnel, nor for the pay-
- ment of any part of tuition or expenses for such training for
- 21 commissioned personnel who do not agree to remain on
- ²² active duty for two years after completion of such training.
- SEC. 731. No part of the funds appropriated herein
- 24 shall be expended for the support of any student in basic
- 25 courses of the senior divsion, Reserve Officers Training

- 1 Corps, who has not executed a certificate of loyalty in such
- 2 form as shall be prescribed by the Secretary of Defense.
- 3 Sec. 732 731. Section 4 of the Act of June 29, 1948
- 4 (62 Stat. 1094), is amended by striking the words "in
- 5 April".
- 6 Sec. 733 732. No part of any appropriation contained
- 7 in this Act shall be available for the procurement of any
- 8 article of food, clothing, cotton or wool (whether in the
- 9 form of fiber or yarn or contained in fabrics, materials, or
- 10 manufactured articles) not grown, reprocessed, reused, or
- 11 produced in the United States or its possessions, except to
- 12 the extent that the Secretary of the Department concerned
- 13 shall determine that a satisfactory quality and sufficient quan-
- 14 tity of any articles of food or clothing or any form of cotton
- or wool grown, reprocessed, reused, or produced in the United
- 16 States or its possessions cannot be procured as and when
- 17 needed at United States market prices and except procure-
- 18 ments outside the United States in support of combat opera-
- 19 tions, procurements by vessels in foreign waters and emer-
- 20 gency procurements or procurements of perishable foods by
- 21 establishments located outside the continental United States,
- 22 except the Territories of Hawaii and Alaska, for the person-
- 23 nel attached thereto: Provided, That nothing herein shall
- 24 preclude the procurement of foods manufactured or processed
- 25 in the United States or its possessions: Provided further,

- 1 That no funds herein appropriated shall be used for the pay-
- 2 ment of a price differential on contracts hereafter made for
- 3 the purpose of relieving economic dislocations.
- 4 SEC. 734. None of the funds appropriated by this
- 5 Act may be used in the preparation or prosecution of the
- 6 pending suit in the United States District Court for the
- 7 Southern District of California, Southern Division, by the
- 8 United States of America against Fallbrook Public Utility
- 9 District, a public service corporation of the State of California,
- 10 and others.
- 11 Sec. 735 733. None of the funds appropriated in this
- 12 Act shall be used for the purchase of passenger automobiles
- 13 except for replacement.
- 14 Sec. 736 734. None of the funds appropriated in this
- 15 Act shall be used for the construction, replacement, or
- 16 reactivation of any bakery, laundry, or dry-cleaning facility
- 17 in the United States, its Territories, or possessions, as to
- which the Secretary of Defense does not certify, in writing,
- 19 giving his reasons therefor, that the services to be furnished
- 20 by such facilities are not obtainable from commercial sources
- 21 at reasonable rates.
- Sec. 737 735. In order more effectively to adminis-
- 23 ter the funds appropriated to the Department of Defense,
- 24 the President, to the extent he deems it necessary and appro-
- 25 priate in the interest of national defense, may authorize posi-

- 1 tions in the Department of Defense to be placed temporarily
- 2 in grades 16, 17, and 18 of the General Schedule of the
- 3 Classification Act of 1949 in accordance with the procedures
- 4 and standards of that Act, and such positions shall be addi-
- 5 tional to the number authorized by section 505 of that Act.
- 6 Under authority herein, grades 16, 17, and 18 in the Depart-
- 7 ment of Defense may be increased only to the extent that
- 8 the total of such grades in the Department of Defense shall
- 9 not exceed two hundred.

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Sec. 736. Funds heretofore or hereafter allocated to the 10 Department of Defense from any appropriation for military 11 assistance (except funds obligated directly against any such 12 appropriation for offshore procurement or other purposes) 13 14 shall be accounted for by geographic area and by country 15 solely on the basis of the value of materials delivered and 16 services performed (such value to be determined in accord-17 ance with the applicable provisions of law governing the 18 administration of military assistance). Within the limits of 19 funds so allocated, the Department of Defense is authorized to 20 incur, in applicable appropriations, obligations in anticipa-21 tion of reimbursement from such allocation, and no funds so 22 allocated shall be withdrawn by administrative action until 23 the Secretary of Defense shall certify that they are not 24required for liquidation of obligations so incurred, or unless

the President in writing shall direct such action. Reimburse-

- 1 ment from such allocation shall be made in accordance with
- 2 the applicable provisions of law.
- 3 Sec. 738 737. This Act may be cited as the "Depart-
- 4 ment of Defense Appropriation Act, 1955."

Passed the House of Representatives April 29, 1954.

Attest:

LYLE O. SNADER,

Clerk.

SD CONGRESS H. R. 8873

[Report No. 1582]

AN ACT

Making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

May 3 (legislative day, April 14), 1954

Read twice and referred to the Committee on

Read twice and referred to the Committee on Appropriations

June 11, 1954

Reported with amendments





- 13. MINERALS; FUBLIC LANDS. Discussed, and passed over at Sen. Norse's request. H. R. 3915, to permit the mining, development, and utilization of the mineral. resources of all public lands withdrawn or reserved for power development (pp. 7769-71).
- 14. TRADE AGREEMENTS. The Finance Committee ordered reported (but did not actually report) H. R. 9474, to extend for 1 year (until June 12, 1955) the President's authority to enter into reciprocal trade agreements (p. D683)./

Sen. Butler, Ild., inserted Raymond E. Steele's (Counsel, American Seafood Distributors) letter opposing the Tariff Commission's proposal to place a quota and higher duty on groundfish fillets imported into this country (p. 7761).

- 15. COPPER IMPORTS. The Finance Committee ordered reported (but did not actually report) H. R. 7709, to extend the date of suspension of certain import taxes on copper for 1 year (p. D683).
- 16. ASC COMMITTEES. Sen. Aiken inserted and discussed USDA's new regulations governing county and community agricultural stabilization and conservation committees, and he also outlined the origin and development of the farmer committee system over the past 21 years (pp. 7799-807).
- 17. RECLAMATION. The Interior and Insular Affairs Committee ordered reported (but did not actually report) S. J. Res. 165, authorizing construction of the Glendo unit, Wyo., Missouri River Basin project (p. D683).
- 18. DEFENSE APPROPRIATION BILL, 1955. Began debate on this bill, H. R. 8873 (p. 7808).
- 19. PRICE SUPPORTS; HOMEY. Sen. Wiley inserted a Mis. State Beekeepers Assn. letter favoring continuation of mandatory price supports on honey from 60 to 90 percent of parity (p. 7756).
- 20. VMHICLES. Discussed, and passed over at Sen. Gore's request, S. 3199, to authcrize additional use of Government motor vehicles at isolated installations (pp. 7772-3).

BILLS INTRODUCED

- 21. WATER RESOURCES. S. 3606; by Sen. Hartin, for himself and Sen. Butler, Nebr., to establish national policy respecting the development and use of water resources; to Interior and Insular Affairs and Public Works Committees (p. 7756). Remarks of author (pp. 7757-9).
- 22. FLOOD CONTROL. S. 3607, by Sen. Bennett, to authorize certain improvement of the Weber River, Utah, for flood control; to Public Works Committee (p. 7756). Remarks of author (p. 7759).
- 23. DAIRY PRODUCTS. S. 3609, by Sen. Wiley, to provide an adequate, balanced, and orderly flow of milk and dairy products in interstate and foreign commerce; to stabilize prices of milk and dairy products; to Agriculture and Forestry Committee (p. 7756).

H. R. 9554, by Rep. Bartlett, to amend the Federal Import-Hilk Act, ap-

proved Feb, 15, 1927; to Agriculture Committee (p. 7863).

- 24. POTATOES. S. 3611, by Sen. Welker, relating to the inspection and certification of Irish potatoes; to Agriculture and Forestry Committee (p. 7756). Remarks of author (p. 7759).
- 25. BANKING AND CURRENCY. H. R. 9555, by Rep. Brown, Ga., to amend the Export-Import Bank Act of 1945 and the Bretton Moods Agreements Act, so as to provide for representation of the Export-Import Bank of Mashington on the National Advisory Council on International Monetary and Financial Problems, and to increase the bank's lending authority; to Banking and Currency Committee (pp. 7863-4).
- 26. FORESTS. H. R. 9563, by Rep. Dempsey, to provide that the Sec. of Agriculture is authorized to extend until not later than Oct. 18, 1962, certain timber rights and necessary ingress and egress; to Agriculture Committee (p. 7864).

ITEMS IN APPENDIX

- 27. RECLAMATION. Extension of remarks of Rep. Hiller, Nebr., discussing in detail the House committee report on H. R. 4449, to authorize the construction of the development of the upper Colorado Basin (pp. A4375-6).

 Rep. Hosmer inserted a Colorado River Board's (Calif.) resolution opposing the above project (p. A4420).
- 28. ST. LAWRENCE SEAWAY. Sen. Viley inserted his address favoring this seaway (pp. A4378-9).
- 29. FARM PROGRAM. Sen. Wiley inserted a Republican Party of Wis. platform including farm prices, protection for dairy farmers, soil conservation programs, and animal disease research programs (pp. A4382-4).
- 30. SOIL COMSERVATION. Sen. Johnson, Tex., inserted a Fort Worth Fress article discussing the effect of soil conservation programs on Texas farms (pp. A4384-5).
- 31. DAIRY INDUSTRY. Extension of remarks of Sen. Thye stating that in dairy industries "there is overproduction, there is underconsumption, ... there is an improper distribution" and inserting a Farm Journal article suggesting possible solutions to some of the dairy industry problems (pp. A4386-8).
- 32. PRICE SUPPORTS. Sen. Aiken inserted a Rutland (Vt.) Herald article favoring flexible price supports and urging support for the President's farm program (p. A4391).
 - Rep. Javits inserted a New York Herald Tribune article favoring flexible price supports, criticizing continued storage of surplus commodities, and stating that an informed public "might not agree that there should be further purchases of farm commodities" (pp. A4393-4).
 - Rep. Stringfellow commended a Washington Post article urging support for the President's recommendations for flexible supports (p. A4394).
- 33. NEWSPRINT. Rep. Boggs inserted a New Orleans Times-Picayune article discussing prospects of utilizing southern-grown hardwoods in making newsprint (p. A4396).
- 34. PRICES. Rep. Sullivan inserted Rep. Patman's address criticizing the "interests" who are campaigning against the Robinson-Patman Act (pp. A4397-9).

adequately reflected farmer thinking. For example, we find that-

(1) In 1941, a survey conducted by the USDA of voting in 12 representative counties indicated that only 25 percent of those eligible to vote actually did so.

(2) The National Farmers Union in 1946 adopted a resolution recommending that elections be void unless at least 50 percent of the eligible voters in the community participated.

(3) In a 1947 appearance before the House Committee on Agriculture, Albert Goss, then grand master of the National

Grange, observed that-

Just a few vote. Many times 15 or 20 or even 10. * * * Those elections out in the township just do not express the sentiments of the farmers.

(4) Even the Department of Agriculculture under Secretary Brannan was disturbed by the lack of extensive farmer participation in elections. In 1948, Elmer Kruse, then manager, Commodity Credit Corporation, in an address to a conference of State and county committeemen, said:

Is farmer thinking being reflected adequately in the administration of the pricesupport program, especially with regard to local administration * * *? I can tell you that it is a question that has been receiving very careful consideration * * *, nothing is gained * * * by assuming that operations, because they have always been handled a certain way, must continue to be handled that way. * * * I would like to suggest that you give particular consideration to the matter of bringing about greater farmer participation.

(b) This lack of interest has resulted in prolonged tenure of county committeemen. In light of this fact it is the consensus of opinion that a limitation on the number of consecutive terms a farmer can serve as a committeeman, coupled with the action taken a year ago to standardize the structure of the committee system, will promote the following desirable results:

(1) Encourage greater farmer participation in community elections, so that elections will more nearly reflect farmer

thinking.

(2) Encourage greater numbers of farmers to seek and hold office as community and county committeemen. This would without a doubt permit the USDA to make better and more extensive use of farmer experience and ability.

Second. It is, however, deemed desirable to provide for the possible retention of one experienced county committeeman, should the delegates to the county convention deem it wise to elect a committeeman for four consecutive terms.

C. PROHIBIT A PERSON WHO IS A PRESIDENT, VICE PRESIDENT, TREASURER, OR SECRETARY OF A COUNTY, STATE, OR NATIONAL UNIT OF ANY GENERAL FARM ORGANIZATION FROM ALSO SERVING AS A MEMBER OF A COUNTY COMMIT-TEE (SEC. 7.15 (G))

First. Why the prohibition:

(a) To prevent in any county the possible domination and utilization of a public agency by a private agricultural organization.

(b) The law directs the Secretary to utilize county and local committees in the administration of many USDA programs. This provision was adopted to

insure that the farm program would be run by farmers, elected by farmers.

D. PROHIBIT A COUNTY COMMITTEEMAN FROM ALSO SERVING AS A SALES AGENT OR EMPLOYEE OF THE FEDERAL CROP INSURANCE CORPORATION (SEC. 7.15 (H))

First. Why the prohibition:

(a) The county committees have had the very difficult task of administering in the field the programs of three USDA agencies: (1) The price support, sugar, acreage allotment, and marketing quota programs for the Commodity Stabilization Service; (2) the agricultural conservation program for the Agricultural Conservation Program Service; (3) the sales and servicing of FCIC contracts at the county level has been performed almost entirely by county committeemen.

(b) It is deemed desirable, therefore, in the interest of better and more efficient administration of all programs to limit county committeemen's responsibilities to those programs for which they were elected by their fellow farmers to super-

vise and direct.

E. PROHIBIT A COUNTY COMMITTEEMAN FROM ALSO SERVING AS A MARKETING QUOTA REVIEW COMMITTEEMAN (SEC. 7.15 (I))

First. Why the prohibition:

(a) Impartial and independent review of administrative action is simply not possible under a system whereby a farmer's appeal is to a review committee whose members also serve as part of the structure which determine marketing quotas even though this be in other counties.

(b) There have been over 700 cases involving court action since 1938 with respect to marketing quotas. Farmers should be able to get an impartial administrative review of their quota without having to resort to a legal remedy in order to get what they deem to be an impartial review of their quota. Frequent resort to the courts is evidence that the administrative structure is less responsive than it should be to the needs of its clientele. This is important since the USDA prides itself on being a service department.

F. PROHIBIT A COUNTY COMMITTEEMAN FROM ALSO SERVING AS AN EMPLOYEE OF HIS OWN COUNTY OFFICE (SEC. 7.17 (A) (5))

First. Why the prohibition:

(a) As I already have mentioned, grassroots experience in 87 percent of our counties has indicated that better administration results if the policyforming function is vested in the county committee and the policy-executing function is delegated to a full-time office manager, hired by and responsible to the committee. That is if the committee serves as a board of directors, so to speak, and hires a general manager to handle the day-to-day administrative detail.

(b) If county committeemen are permitted to serve as paid employees of their own offices it would be possible to expect an office manager to asume the responsibility for doing a good job when he must direct committeemen as employees who, in another capacity, not only determine the policies he must execute, but who also hire him.

In addition to these major changes, several minor revisions have been made

to prevent manipulation of county and community committees by political organizations:

A. Section 7.30 (a) provides that any county and community committeeman. delegate, and community election board member who becomes ineligible for office or who fails to perform the duties of his office, or who is incompetent, or who commits fraud, can be removed only by a majority vote of the State Committee. Heretofore, the regulations did not require a majority vote in order to effect-

uate removal.

B. Section 7.32 provides that any county office employee may be removed by the State committe only in cases where the county committees fail to act promptly and when the conduct of such person adversely affects the administration of the programs, and then only by a majority vote of the State Committee. Heretofore, the regulations did not require a majority vote in order to

effectuate removal.

C. Section 7.33 provides that any county or community committeman, community election board member who is removed from office shall have the right of appeal not only to the State Committee but also to the Deputy Administrator for Production Adjustment, Commodity Stabilization Service if he deems it desirable. Heretofore, the regulations have not provided for an appeal beyond the State Committee. This is in keeping with sound principles of personnel management which hold that an employe should have an appeal to someone above his immediate superior.

TRANSPORTATION OF WATER-BORNE CARGOES

The Senate resumed the consideration of the bill (S. 3233) to amend the Merchant Marine Act, of 1936, to provide permanent legislation for the transportation of a substantial portion of waterborne cargoes in United States-flag vessels.

Mr. BRICKER. Mr. President, we are now ready to vote on Senate bill 3233, as I understand.

Mr. BUTLER of Maryland. Mr. President, will the Senator yield?

Mr. BRICKER. I yield to the Sena-

tor from Maryland. Mr. BUTLER of Maryland. There are

certain committee amendments, which I ask to have stated.

The VICE PRESIDENT. The clerk will state the committee amendments.

The first amendment of the committee on Interstate and Foreign Commerce was on page 1, line 9, after the word "nation", to insert "without provision for reimbursement."

The amendment was agreed to.

The next amendment was, on page 2, line 4, after the word "commodities", to insert "the appropriate agency or agencies shall take such steps as may be necessary and practicable to assure that."

The amendment was agreed to.

The next amendment was, on page 2, at the beginning of line 12, to strike out "fair and reasonable" and insert "market."

Mr. BUTLER of Maryland. Mr. President, objection has been raised to that amendment, and I am willing, as heretofore stated, that the amendment not be agreed to.

Mr. BRICKER. It is not a commit-

tee amendment?

Mr. BUTLER of Maryland. Yes, it is

a committee amendment.

The VICE PRESIDENT. The question is on agreeing to the committee amendment on page 2, line 12.

The amendment was rejected.

The next amendment was, on page 2, line 12, after the word "for", to strike out "the movement in."

The amendment was agreed to.

The next amendment was, on page 2, in line 13, after "United States-flag", to insert "commercial."

The amendment was agreed to.

The next amendment was, on page 2, in line 15, after the word "in", to insert "such."

The amendment was agreed to.

The next amendment was on page 2, beginning in line 16, to strike out "Provided, That unless the Secretary of Commerce after public hearing finds and certifies to the proper Government agency that the foreign commerce of the United States will be promoted, or that privately owned United States flag commercial vessels are not available in sufficient numbers or in sufficient tonnage capacity, or at the aforesaid reasonable rates. such equipment, materials, or commodities shall be transported exclusively on privately owned United States flag commercial vessels: Provided further, That foreign-flag ships not register under the flag of the consignor or consignee nation may participate in the carriage of such equipment, materials, or commodities only to the extent that such nation does not have ships of its own registry available in sufficient numbers or in sufficient tonnage capacity" and insert "Provided, That the provisions of this subsection may be waived whenever the Congress by concurrent resolution or otherwise, or the President of the United States or the Secretary of Defense declares that an emergency exists justifying a temporary waiver of the provisions of section 901 (b) and so notifies the appropriate agency or agencies."

The amendment was agreed to.

The VICE PRESIDENT. That completes the committee amendments. The bill is open to further amendment.

If there are no further amendments to be offered, the question is on the engrossment and third reading of the bill, The bill (S. 3233) was ordered to be engrossed for a third reading, read the third time, and passed, as follows:

Be it enacted, etc., That section 901 of the Merchant Marine Act, 1936, as amended, is hereby amended by inserting "(a)" after "SEC. 901." and by adding at the end of the section the following new subsection:

"(b) whenever the United States shall procure, contract for, or otherwise obtain for its 'own account, or shall furnish to or for the account of any foreign nation without provision for reimbursement, any equipment, materials, or commodities, within or without the United States, or shall advance funds or credits or guarantee the convertibility of foreign currencies in connection with the furnishing of such equipment, materials, or commodities, the appropriate agency or agencies shall take such steps as may be necessary and practicable to assure that at least 50 percent of the gross tonnage of such equipment, materials, or commodities (computed separately for dry bulk carriers, dry cargo liners, and tankers), which may be transported on ocean vessels shall be transported on privately owned United States-flag commercial vessels, to the extent such vessels are available at market rates for United States-flag commercial vessels, in such manner as will insure a fair and reasonable participation of United States-flag commercial vessels in such cargoes by geographic areas: Provided, That the provisions of this subsection may be waived whenever the Congress by concurrent resolution or otherwise, or the President of the United States or the Secretary of Defense declares that an emergency exists justifying a temporary waiver of the provisions of section 901 (b) and so notifies the appropriate agency or agencies. Nothing herein shall repeal or otherwise modify the provisions of Public Resolution No. 17, 73d Congress (48 Stat. 500), as amended."

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

Mr. BRICKER. Mr. President, I move that the Senate proceed to the consideration of H. R. 8873, the Department of Defense appropriation bill for 1955.

The PRESIDING OFFICER (Mr. BUT-LER of Maryland in the chair). The bill will be stated by title for the information of the Senate.

The CHIEF CLERK. A bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Ohio.

The motion was agreed to; and the Senate proceeded to consider the bill, which had been reported from the Committee on Appropriations with amendments.

NOTICE OF MOTION TO SUSPEND THE RULE—AMENDMENT TO DE-PARTMENT OF DEFENSE APPRO-PRIATION BILL

Mr. WILLIAMS. Mr. President, in accordance with rule XL of the Standing Rules of the Senate, I hereby give notice in writing that it is my intention to move to suspend paragraph 4 of rule XVI for the purpose of proposing to the bill (H. R. 8873), making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, the following amendment, namely:

At the appropriate place in this act, insert the following: "None of the funds appropriated in this act shall be used except that, so far as practicable, all contracts shall be awarded on a competitive basis to the lowest responsible bidder."

Mr. WILLIAMS also submitted an amendment intended to be proposed by him to House bill 8873, making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, which was ordered to lie on the table and to be printed.

(For text of amendment, see the foregoing notice.)

RECESS

Mr. BRICKER. Mr. President, I move that the Senate stand in recess until tomorrow, at 12 o'clock noon.

The motion was agreed to; and (at 5 o'clock and 10 minutes p.m.) the Senate took a recess until tomorrow, Wednesday, June 16, 1954, at 12 o'clock meridian.

NOMINATIONS

Executive nominations received by the Senate June 15 (legislative day of June 11), 1954:

DEPARTMENT OF STATE

Charles E. Saltzman, of New York, to be Under Secretary of State for Administration, vice Donold B. Lourie, resigned.

INTERSTATE COMMERCE COMMISSION

John H. Winchell, of Colorado, to be an Interstate Commerce Commissioner for the remainder of the term expiring December 31, 1960.





- 13. NINERALS; PUBLIC LANDS. The Interior and Insular Affairs Committee reported with amendments S. 3344, to amend the mineral leasing laws and the mining laws for multiple mineral development of the same tracts of the public lands (S. Rept. 1610) (p. 7867).
- 14. DEFENSE APPROPRIATION BILL, 1955. Continued debate on this bill, H. R. 8873 (pp. 7877-7904).
- 15. FRICE SUPPORTS. Sen. Humphrey criticized the reduction in dairy support prices and stated that "I am admittedly disturbed by some of the tactics of the... Secretary" (pp. 7908-11).
- 16. CO MODITY LOAMS. Sen. Knowland inserted a list of corn, cotton, and wheat loans over 100,000, each by States (p. 7873).
- 17. RECLARATION. Conferees were appointed on H. R. 5731, to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation from the Santa Margarita River, Calif. (p. 7887).

 House conferees have been appointed.
- 18. LEGISLATIVE PROGRAM as announced by Sen. Knowland: Defense appropriation bill and education bills; Mon., trade agreements bill (p. 7877).

ITEMS IN APPENDIX

- 19. TRANSPORTATION. Rep. Sutton inserted information obtained from the Library of Congress concerning various highway reciprocity agreements between the States, including reference to a study made by the USDA in 1950 on interstate parriers to highway transportation (pp. A4425-6).
- 20. RECLAMATION. Rep. Hosmer inserted a Denver Post editorial containing an illustration of the difficulties in obtaining factual information relative to the upper Colorado River storage project (pp. A4431-2).

Sen. Fulbright inserted an Arkansas Gazette article, "The Mighty Arkansas," which relates to the lack of full development for power, flood control, conservation, recreation, etc., of the Arkansas River (pp. A4436-7).

- 21. SOCIAL SECURITY. Rep. Smith, Kans., inserted a Kansas City Daily-Drovers Telegram editorial in regard to the recently passed social-security bill and stated that "This article points up the fact that it is doubtful security, and in no stretch of the imagination could it be called insurance... " (p. Al436).
- 22. SOIL CONSERVATION. Sen. Johnson, Tex., inserted a Soil and Water magazine editorial concerning the contribution in dollars and cents by the district program to the soil conservation program in Texas (p. A4436).
- 23. FARM PROGRAM. Sen. Aiken inserted a Christian Science Monitor editorial, "Farm Policy Change Needs Public's Help," in which it is stated that "Unless the flexible price support principle advocated by the President and Secretary Benson wins approval in Congress, a worsening situation impends" (p. A4438).

Rep. Jones, No., inserted a Dunklin Democrat editorial criticizing this administration's attitude toward a rigid price-support program and stating that "The Secretary of Agriculture wants to veto legislation designed to maintain the farmer's income" and "... that President Eisenhower may be inclined to follow Benson's recommendation" (p. A4443).

Sen. Williams inserted an Evening Star editorial in which the proposal to extend for 1 year the rigid 90 percent of parity price support on certain basic farm products is denounced as "an indefensible compromise" (p. Aldı).

COMMITTEE HEARINGS RELEASED BY GPO

24. RECLAMATION: H. R. 8520, irrigation development in the Miobrara River Basin, Mebr. H. Interior and Insular Affairs Committee.

BILLS INTRODUCED

- 25. UNEMPLOYMENT COMPENSATION. S. 3619, by Sen. Cooper, to assist in alleviating the effects of unemployment resulting from Federal tariff or trade policy by establishing a temporary program of supplementary grants for States which provide for liberalization of their unemployment compensation payments to persons unemployed because of Federal tariff or trade policy; to Finance Committee (p. 7867).
- 26. VET TRANS! BENEFITS. H.R. 9578, by Rep. Curtis, Mass., to extend the home loan provisions of the Servicemen's Readjustment Act of 1944 to veterans of World War I and their widows; to Veterans! Affairs Committee (p. 7946).
- 27. ELECTRIFICATION. H.R. 9579, by Rep. Engle, to authorize the construction, operation and maintenance of a hydroelectric project on the Tuolumne River, Calif; to Interior and Insular Affairs Committee (p. 7946).
- 28. RECLANATION. H.R. 9581, by Rep. Miller, Mebr., to provide for Federal cooperation with the Mebraska Mid-State Reclamation District, Mebr., in contruction of the Mid-State project; to Interior and Insular Affairs Committee (p. 7946).
- 29. PROPERTY. H.R. 9582, by Rep. Saylor, to provide for the transfer of excess property to the Territorial Government of Alaska; to Interior and Insular Affairs Committee (p. 7946).
- 30. WATER RESOURCES. H.R. 9585, by Rep. Filler, Hebr., to establish national policy respecting the development and use of water resources, to redefine the authority of the Sec. of the Interior with respect to water resource development; to Tylerior and Insular Affairs Committee (p. 7946). Remarks of author (p. A44297.
- 31. PERSONNEL. H.R. 9586, by Rep. Rees, Kans., to amend the Civil Service Retirement Act; to Post Office and Civil Service Committee (p. 7946).

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COMMITTEE HEARING AMMOUNCEMENTS FOR JUNE 17: Overall farm program proposals, H. and S. Agriculture (exec).

munition. They were designed for the old prewar Oerlikon "Becker gun." It is not a high-explosive shell and is not armor-plercing, but the expert said, "with a lucky hit" it could bring down a plane.

CHANGE WOULD BE COSTLY

It would be possible to transform the shells into real war ammunition, but this would be an expensive way of making ammunition, the expert said. The shells are known as "ball cartridges."

The United States Government regards shipments of arms to leftist-leaning Guatemala as a threat to the security of the Pan-

ama Canal.

United States authorities throughout the world have been ordered to prevent the flow arms to the Central American country following the delivery recently of the \$10 million shipment to Guatemala from Poland aboard a Swedish ship.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, for the information of the Senate, I desire to say that when we have completed action on the unfinished business, which is the armed services appropriation bill, it will be my desire to move to take up a series of bills which have been reported from the Committee on Labor and Public Welfare, namely, Calendar No. 1607, House bill 7601, to provide for a White House conference on education; Calendar No. 1608, House bill 7434, to establish a National Advisory Committee on Education; and Calendar No. 1609. House bill 9040, to authorize cooperative research in education.

These are the new bills in addition to the one with reference to which previous announcement has been made.

From the present information I have it appears that the reciprocal-trade extension bill, which was reported yesterday by the Senate Finance Committee. will be taken up on Monday. I do not believe the committee report has been filed at the desk as yet, but I understand the committee itself has acted. A number of Senators have asked me when that bill would be taken up. It will be taken up on Monday, according to present plans, which will move it ahead of the tax revision bill.

At some time during the course of the afternoon, if the House has acted on the conference report on the independent offices appropriation bill, we shall expect to call up that conference report as well.

VISIT TO THE SENATE OF HON. MICHAEL STEWART

Mr. WILEY. Mr. President, next week Mr. Winston Churchill and Mr. Anthony Eden will be here. Today it is my privilege to present to the Senate a member of the British Parliament, Hon. Michael Stewart. He has served 4 years in the armed services of his country. He is in America at this time studying our Government, and is particularly interested in the Smith-Mundt Act. It is always a pleasure when a member of the great parliamentary body of Great Britain comes to see us. I am sure we are all very happy to have him with us.

[Applause, Senators rising.] The PRESIDING OFFICER (Mr. UP-TON in the chair). The Chair is happy to join in welcoming the distinguished most serious consideration to assigning convisitor from Great Britain.

DEPARTMENT OF DEFENSE APPRO-PRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Mr. FERGUSON obtained the floor.

Mr. BRIDGES. Mr. President, will the Senator from Michigan yield to me for a few moments, in order that I may make a few observations with regard to one phase of the defense appropriation bill, with the understanding that he will not lose the floor?

Mr. FERGUSON. . I am glad to yield. Mr. BRIDGES. On page 518 of the hearings before the House Appropriations Subcommittee on the Department of the Navy, for the fiscal year 1955, there is a list of ships which the Navy proposes to build in the fiscal year 1955 shipbuilding and conversion program. This list includes 1 nuclear-powered submarine and 2 conventional type submarines. On May 4, 1954, the Secretary of Defense addressed a letter to me as chairman of the Senate Appropriations Committee, modifying that program and calling for the construction of an additional nuclear-powered submarine, making a total of two atomic submarines requested by the Navy.

In Secretary Wilson's letter advising me of the Navy's desire to change its submarine program, he also points out the desirability of expanding our technical skills in the field of atomic-submarine construction at naval shipyards.

Since the two previous naval atomic submarines have been built at a private shipyard, Secretary Wilson indicates that it is the intention of the Department of the Navy to assign one of the construction contracts for the atomic submarines called for in the 1955 program to a naval shipyard. In so doing, Secretary Wilson believes that the interest of national defense will be served by training naval shipyard personnel in the construction, repair, and maintenance of atomic submarines.

At various hearings before congressional committees, officials of the Department of the Navy have often referred to the Portsmouth Naval Shipyard located in Portsmouth, N. H., and Kittery, Maine, as the Navy's No. 1 naval submarine installation. In fact as late as May 1954, Admiral Manseau of the Bureau of Ships, stated that-

The Bureau of Ships definitely considers Portsmouth as the No. 1 naval shipyard for submarine construction. It is believed that the same might be true with respect to construction of a nuclear-powered submarine.

It is clear from these remarks by one of the top ranking officers in the Bureau of Ships that the Portsmouth, N. H., naval shipyard enjoys an enviable position in the field of naval ship construction. Admiral Manseau also has stated for the record that-

Portsmouth has not, as yet, built an atomic submarine. The Bureau intends to give struction of a nuclear-powered submarine to Portsmouth during fiscal 1955.

I am pleased with the Navy Department's plan to add another atomic submarine to our fighting fleet.

Naturally, I am proud of the record made by the Portsmouth Navy Yard in the construction and maintenance of our submarine service. I am confident that this fine record will be continued in the new era of nuclear submarines. And I know the Navy Bureau of ships soon intends to include Portsmouth in its plan for atomic submarine construction.

I believe it is very wise, in connection with this tremendous development in undersea warfare, that we go ahead with the construction of submarines propelled by the latest power—atomic power—which literally challenges the imagination of man, and that we should proceed with the program as rapidly as possible. Two of these ships are being constructed in the fiscal 1955 program. It is my feeling that it is very wise indeed to build one of the ships in a private yard and the other in a naval shipyard.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point the letter I received from Secretary Wilson regarding the submarine construction program.

There being no objection, the letter was ordered to be printed in the RECORD. as follows:

> THE SECRETARY OF DEFENSE. Washington, May 4, 1954.

Hon. STYLES BRIDGES,

Chairman, Committee on Appropriations, United States Senate, Washington, D. C.

MY DEAR MR. CHAIRMAN: I would like to advise you of a change planned in the composition of the fiscal year 1955 naval shipbuilding program. As our budget was initially submitted for congressional consideration, we included 2 fleet-type submarines powered with conventional-type powerplants and 1 small submarine powered with a nuclear powerplant in this construction program. This latter submarine differs primarily in the size of the vessel and the type of reactor plant from the nuclear-powered submarines authorized in prior-year programs. The House of Representatives has favorably approved these ships in our overall shipbuilding program.

At the time our budget was initially prepared, we had no actual operating experience with the first nuclear powerplant. For this reason, the Secretary of the Navy did not consider it appropriate to request construction of more than one nuclear-powered submarine in the 1955 program. Since our budget was submitted, however, operation of the nuclear reactor and powerplant at the atomic-energy plant at Arco, Idaho, has proven highly successful. This plant was the prototype of the installation in our first atomic submarine. These operations clearly demonstrate that utilization of nuclear power for propulsion of submarines is a practical application of atomic energy. expected that the first atomic submarine, U. S. S. Nautilus, will commence operation during 1954.

Because of this progress, the Navy has reviewed and reevaluated the submarineconstruction program in the fiscal year 1955 budget. It is considered desirable to proceed with the construction of 2 instead of 1 nuclear-powered submarines in this program. There will be a continued need for

some time, however, for the submarine equipped with the conventional type power-plant. It is important that we expand the base for construction of nuclear-powered submarines in order to meet the anticipated demand for this type craft in the near future.

The application of nuclear power in naval vessels has created the need for a higher order of engineering skill than was previously required in naval construction. The Interrelationship of the reactor machinery plant and hull to obtain the minimum-size vessel with specified military characteristics depends primarily upon the ability and the experience of the designing and the shipbuilding team. It is vital, therefore, that we make an immediate start to expand the base of this experience and knowledge in our shipyards. To do this, we desire at this time to modify our submarine program to permit a second shipbuilding activity to be given the necessary instruction which will permit them to undertake the construction of nuclear-power submarines. We intend to assign the construction of the second nuclear submarine to a naval shipyard, in order to proceed immediately with the development of these special skills in naval shipyard personnel. The completion of the Nautilus will also generate an immediate requirement for such skills in naval shipyards, where maintenance work on naval combatant types is customarily undertaken.

We are proceeding with the planning to modify the submarine program contained in the shipbuilding and conversion appropriation for fiscal year 1955 to provide 2 nuclearpower submarines and 1 conventional-type

powered submarine.

This matter has been discussed informally with the Appropriations Committees of Congress. They were advised that no request would be made at this time for a specific increase in the appropriation, shipbuilding and conversion, Navy. The question of any cost change will be deferred until next year's budget. This will permit the Navy to review our requirements based upon actual cost of contracts awarded for construction of ships in the 1955 shipbuilding program.

Sincerely yours,

C. E. WILSON.

Mrs. SMITH of Maine. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield to the Senator from Maine.

Mrs. SMITH of Maine. Will the Senator from New Hampshire advise the Senate whether Secretary of Defense Wilson assured the chairman of the Committee on Appropriations that one of the new submarines will be built at the Kittery-Portsmouth Navy Yard?

Mr. BRIDGES. In his letter to me the Secretary says:

It is important that we expand the base for construction of nuclear-powered submarines in order to meet the anticipated demand for this type craft in the near future. The application of nuclear power in naval vessels has created the need for a higher order of engineering skill than was previously required in naval construction.

He goes on to say:

It is vital, therefore, that we make an immediate start to expand the base of this experience and knowledge in our shippards. To do this, we desire at this time to modify our submarine program to permit a second ship building activity to be given the necessary instruction which will permit them to undertake construction of nuclear powered submarines. We intend to assign the construction of the second nuclear submarine to a naval shipyard, in order to proceed immediately with the development of these special skills in naval shipyard personnel.

I would say that it is about as direct a statement as the Secretary of Defense can make that if the Department proceeds—as it intends to proceed if this program is approved—one of the submarines will be built in a naval shipyard.

Mrs. SMITH of Maine. Does it mean that two atomic submarines will be built

in fiscal year 1955?

Mr. BRIDGES. That is my understanding. Originally the plan was to build 3 submarines, 2 of the conventional type and 1 of the nuclear type. In line with the tremendous possibilities of atomic-powered submarines, the plan has been changed. Now it is intended, inasmuch as the new emphasis is on the construction of atomic-powered submarines, to build 2 atomic-powered submarines, 1 in a private shipyard and 1 in a naval shipyard.

Mrs. SMITH of Maine. It is the intention of the Defense Department that the Kittery-Portsmouth Navy Yard will build one of the atomic submarines, is it

not?

Mr. BRIDGES. Of course I have no inside information, but that is the intention, as I read the letter. I would be very much disappointed if that were not the case.

Mrs. SMITH of Maine. It would be dependent, of course, somewhat on the appropriation being made, would it not?

Mr. BRIDGES. Yes. If the appropriation is voted as recommended, funds will be provided for that activity.

Mrs. SMITH of Maine. As the Senator from New Hampshire is the chairman of the Committee on Appropriations, I can take it for granted that he will see to it that two atomic submarines will be included in the program.

Mr. BRIDGES. It is our purpose to have them included in the program. Let me say to the distinguished Senator from Maine that we must fight the wars of tomorrow, if we have them, with the weapons of tomorrow, not with the weapons of yesterday. I believe that has been one of the troubles with our defense thinking in the past. We must adjust our thinking and planning and appropriation of funds so that if, through some misfortune, we should become engaged in another war, we will be fighting with the weapons of tomorrow, not those of yesterday. I believe a very good example of such a weapon of tomorrow is the atomic-powered submarine.

Mrs. SMITH of Maine. Is it not true that the Soviet Union has placed great stress on the building of submarines, and has increased its program of submarine construction far beyond any other shipbuilding?

Mr. BRIDGES. The Senator is correct. I believe the Senator from Maine heard Admiral Carney testify on that point. Last evening at home I read the statement he made through U. S. News & World Report in which he indicates that Russia is probably constructing about 375 of the newer type submarine. I do not mean the atomic submarine, but the newer types, similar to our newest submarines.

Mr. PAYNE. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. PAYNE. I should like to join the distinguished senior Senator from New Hampshire [Mr. Bridgs] and my colleague, the senior Senator from Maine [Mrs. Smith], in the firm hope that submarines of this type will be built and that one of them will be built in what we in Maine call the Kittery Naval Shipyard, which has a longtime record of proficiency, which has excellent facilities, and which has received recognition from the Defense Department for the manner in which it has produced submarines during the past years.

I certainly commend the distinguished senior Senator from New Hampshire for his interest and effort in this connection, and also the effort of my distinguished colleague from Maine, who has also always worked on behalf of the shipbuilding industry at the Kittery Naval Shipyard, which means so much to our

people

Mr. BRIDGES. I appreciate what the distinguished junior Senator from Maine has stated. Let me say to him, in turn, that this Nation is never going to be able to compete with Russia or with any of the Communist-dominated areas of the world in manpower. We will never be able to match American boys, boy for boy, with the Communists. We do not want to do it. However, what we can do is to utilize the productive skill of this country, which has played such an important role in past wars. In this way we can, through our policy of providing sufficient funds through appropriations and by means of careful planning on the part of the Joint Chiefs of Staff, keep ourselves abreast of the movement to modernize military and naval armaments.

Because of the development by the Russians of very extensive submarine operations, I feel that naval warfare, submarine warfare, and antisubmarine warfare are destined to play a tremendous part in any further conflict, should, unhappily, one occur. I feel that we need to keep alive some of our private shipyards just as we also need to keep a reserve of our naval shipyards going, because the two balance in a very effective way. I think that is what the Defense Department wishes to do. It is certainly what our committee intends them to do. So far as I am concerned, I wish to clear up any misunderstanding about our desires or wishes in the matter, because I believe the policy of dividing the work between the two and the policy of keeping up to date with the most modern weapons of warfare is of great importance in the winning of any war. Furthermore it is essential that we plan in terms of today and tomorrow, and not of yesterday, if we are to save American

Mr. PAYNE. Is it not also true that the yard which we are discussing is the yard which has been foremost over the years in producing not only the latest advanced types, all the way up from the "O" to the "S" to the "V"? Many of the personnel of the Kittery Naval Shipyard have been given advance training in the development of nuclear-powered ships.

Mr. BRIDGES. In answer to the Senator's question, I quote from page 656 of the hearings:

Admiral Manseau. The Bureau of Ships definitely considers Portsmouth as the No. 1 naval shipyard for submarine construction. It is believed that the same might be true with respect to construction of a nuclearpowered submarine. However, Portsmouth has not, as yet, built such a submarine. The Bureau intends to give most serious consideration to assigning construction of a nuclear-powered submarine to Portsmouth during fiscal 1955.

That is a very definite statement. There is no equivocation about it.

Mr. BUTLER of Maryland. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield. Mr. BUTLER of Maryland. I should like to refer to the statement which the Senator from New Hampshire made regarding cooperation between the naval and private shipyards. I can state from experience that Admiral Leggett, the head of the Bureau of Ships, and his excellent staff have been most fair in the allocation not only of repair work but of the placing of contracts for the construction of new ships, and I want to here and now commend him for his efforts in that direction. His is a difficult job indeed.

Mr. BRIDGES. I know the distinguished Senator from Maryland has made a thorough study of the shipbuilding program, both naval and commercial ships, and I respect his judgment and value his opinion, because I know of his deep interest and the fine work he has done in the interest of the shipping in-

Mr. BUTLER of Maryland. I thank the Senator from New Hampshire.

The PRESIDING OFFICER. The unfinished business, the defense appropriation bill, is before the Senate.

Mr. FERGUSON. Mr. President, I ask unanimous consent that the committee amendments be agreed to en bloc and that the bill as thus amended be considered as the original text for the purpose of further amendment, and that any point of order against the committee amendments be reserved.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Michigan? The Chair hears none, and it is so ordered.

The committee amendments agreed to en bloc are as follows:

Under the heading "Department of Defense—Title II—Office of the Secretary of Defense—Salaries and Expenses," on page 2, line 20, after the word "conclusive", to strike out "\$12,000,000" and insert "\$12,500,000." Under the heading "Title III—Interservice

Activities," at the top of page 5, to insert:

"RESERVE TOOLS AND FACILITIES

"Amounts made available under this head for the fiscal year 1954 but not transferred to other appropriations during the year shall remain available for such transfer during the current fiscal year."

Under the heading "Title IV- Department of the Army-Military Construction, Army Reserve Forces," on page 9, line 19, after the numerals "1950", to insert a colon and "Provided, That not to exceed \$36 million may be transferred to this appropriation from the appropriation "Procurement and Production, Army" for the construction of National Guard armories in accordance with said act of September 11, 1950, when such transfers are determined by the Secretary of Defense to be in the national interest."

Under the subhead "Army National Guard," on page 11, line 12, after the figure "\$218,530,000," to insert a colon and "Provided, That in addition, the Secretary of the Army may transfer not to exceed \$25 million to this appropriation from the appropriation "Procurement and Production, Army": Provided further, That obligations may be incurred under this appropriation for installation, maintenance, and operation of facilities for antiaircraft defense without regard to section 67 of the National Defense Act."

Under the heading "Title V—Department of the Navy—Naval Personnel, General Expenses," on page 15, at the beginning of line 2, to strike out "\$74,970,000" and insert "\$75,030,000."

Under the subhead "Aircraft and Facilities," on page 16, line 23, after the word "salaries", to strike out "\$775,895,500" and insert "\$785,895,500."

Under the subhead "Aircraft and Related Procurement," on page 17, line 13, after the figures "\$1,973,568,000", to insert a colon and "Provided, That \$700,000 of the foregoing amount shall be transferred to the appro-'Salaries and expenses, Weather Department of Commerce,' fiscal priation year 1955."

Under the subhead "Medical Care," on page 20, line 3, after the word "schools", to strike out "research facilities,".

. Under the subhead "Civil Engineering," on page 20, line 19, after the word "salaries", to strike out "\$103,294,000" and inries", to strike our sert "\$105,294,000."

Under the subhead "Research and Development", on page 22, line 6, after the word 'expended", to insert a colon and "Provided, That the unexpended balances appropriated for research and development under the heads "Naval Personnel, General Expenses," "Marine Corps, Troops and Facilities," "Aircraft and Facilities," "Ships and Facilities," "Ordnance and Facilities," "Medical Care," "Civil Engineering," "Servicewide Supply and Finance, Navy" for the fiscal years 1953 and 1954 and the unexpended balance of appropriations under the head "Research" are hereby transferred to and merged with this appropriation, in such amounts as may be recommended by the Secretary of Defense and approved by the Director of the Bureau of the Budget."

Under the subhead "Servicewide Operations," on page 23, line 20, after the word "salaries", to strike out "\$103,625,000" and insert "\$104,849,000."

Under the heading "Title VI—Department of the Air Force—Research and Develop-ment," on page 25, line 13, after the word "law," to strike out "\$409,450,000" and in-"\$431,000,000."

Under the subhead "Maintenance and Operations," on page 27, line 11, after the word "otherwise", to strike out "\$3,402,-792,000" and insert "\$3,544,792,000."
Under the subhead "Reserve Personnel,"

on page 29, line 9, after the figures "\$28,-000,000", to insert a colon and "Provided. That in addition, the Secretary of the Air Force may transfer not to exceed \$5 million to this appropriation from any appropriation available to the Department of the Air Force for obligation."

Under the subhead "Air National Guard." on page 30, line 15, after the figures "\$160,-000,000", to insert "Provided, That in addition, the Secretary of the Air Force may transfer not to exceed \$9 million to this appropriation from any appropriation available to the Department of the Air Force for obligation:".

On page 31, after line 2, to strike out: "REDUCTION IN APPROPRIATION

"AIR FORCE STOCK FUND

"The amount available in the Air Force Stock Fund is hereby reduced by \$25 million, such sum to be covered into the Treasury immediately upon approval of this act."

Under the heading "Title VII—General Provisions," on page 35, at the beginning of line 18, to strike out "\$225" and insert "\$237.50."

On page 39, line 24, after the word "Congress," to insert a colon and "Provided further, That no funds available to agencies of the Department of Defense shall be used for the operation, acquisition or construction of facilities in the continental limits of the United Sattes for metal scrap baling or shearing or for melting or sweating aluminum scrap unless the Secretary of Defense or an Assistant Secretary of Defense designated by him determines, with respect to each facility involved, that the operation of such facility must be continued in the national interest.

On page 44, line 20, after the word "year," to strike out "Provided, That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of graded civilian personnel for an equivalent or greater number of military personnel will result in economy without verse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such funds as may be required to accomplish the substitution may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with compensation of such graded civilian personnel" and insert "Provided, That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of nonmilitary personnel for an equivalent number of military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such funds, as may be required to accomplish the substitution, may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with the compensation of such civilian personnel."

On page 47, line 9, after the word "same," to insert a colon and "Provided further, That this limitation shall not apply to the offduty training of military personnel as pre-scribed by section 730 of this act."

On page 48, after line 21, to strike out: "SEC. 729. Hereafter, no part of the funds appropriated to the Department of Defense shall be available for the payment to any person in the military service who is resident of a United States Territory or possession, or any foreign duty allowances above the authorized allowances for comparable rating in the continental United States unless such person is serving in an area outside the Territory or possession of which he is a resident."

And insert:

"SEC. 729. Hereafter, no part of the funds appropriated to the Department of Defense shall be available for the payment to any person in the military service who is resident of a United States Territory or possession, of (1) any foreign duty pay as prescribed in section 206 of the Career Compensation Act (Public Law 351, 81st Cong.), unless such person is serving in an area outside the Territory or possession of which he is a resident, or (2) authorized station allowances for quarters and subsistence unless such person is serving in an area outside the Territory or possession of which he is a resident or in Alaska or in the Territory of Hawaii."
On page 49, after line 22, to strike out:

"SEC. 731. No part of the funds appropriated herein shall be expended for the support of any student in basic courses of the senior division, Reserve Officers Training Corps, who has not executed a certificate of loyalty in such form as shall be prescribed by the Secretary of Defense."

On page 50, line 3, to change the section number from "732" to "731."

On page 50, line 6, to change the section number from "733" to "732."

On page 51, after line 3, to strike out:

"SEC. 734. None of the funds appropriated by this act may be used in the preparation or prosecution of the pending suit in the United States District Court for the Southern District of California, Southern Division. by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others."

On page 51, line 11, to change the section number from "735" to "733."

On page 51, line 14, to change the section number from "736" to "734."

On page 51, line 22, to change the section number from "737" to "735."

On page 52, after line 9, to insert the fol-

lowing new section:
"SEC. 736. Funds heretofore or hereafter allocated to the Department of Defense from any appropriation for military assistance (except funds obligated directly against any such appropriation for offshore procurement or other purposes) shall be accounted for by geographic area and by country solely on the basis of the value of materials delivered and services performed (such value to be determined in accordance with the applicable provisions of law governing the administration of military assistance). Within the limits of of military assistance). funds so allocated, the Department of Defense is authorized to incur, in applicable appropriations, obligations in anticipation of reimbursement from such allocation, and no funds so allocated shall be withdrawn by administrative action until the Secretary of Defense shall certify that they are not required for liquidation of obligations so in-curred, or unless the President in writing shall direct such action. Reimbursement from such allocation shall be made in accordance with the applicable provisions of law."

On page 53, line 3, to change the section number from "738" to "737."

The PRESIDING OFFICER. The bill is open to amendment.

Mr. FERGUSON. Mr. President, the Senate has now proceeded to consider H. R. 8873, the Defense Department appropriation bill for the coming 1955 fiscal year. As chairman of the Senate Appropriation Subcommittee charged with consideration of this bill, I wish to outline its principal provisions and discuss briefly the military plans upon which it is based, and the adequacy of the funds provided to carry out those plans.

The purpose of this legislation is to provide financing for the military functions of the Department of Defense for the fiscal year beginning July 1, 1954 and ending June 30, 1955. It also provides funds for the National Security Training Commission. That, of course, is a very small item.

Last year when I presented the Defense Department Appropriation bill for fiscal year 1954. I said:

During the summer and fall of 1953, an intensive and detailed study of the entire Defense picture is planned by the newly designated Joint Chiefs of Staff.

This study was completed by the Joint Chiefs of Staff in December of last year. The forces and programs unanimously recommended by the Joint Chiefs of Staff were approved by the National Security Council and the President, and formed the basis of the fiscal year 1955 military budget request. The funds provided in this bill are for the support of these forces and programs for the fis-

cal year 1955, which begins July 1, 1954.

The forces and programs recom-mended by the Joint Chiefs of Staff reflect a new approach to the problem of national security. Heretofore the military programs were geared to a succession of assumed D-days which, in turn, were based on the concept of a particular year of crisis. In effect, this required a rapid build-up of forces and stocks of equipment and supplies in order to be ready for the assumed D-day. This, in turn, led to the peaking of production and training programs without regard to the problem of maintaining an industrial mobilization or training base after the force build-up was completed. It also led to a number of other costly and undesirable practices inherent in any crisis approach.

Under the new approach our forces are geared to the long pull. Now, production programs are planned to meet the need of the peacetime forces, provide for the gradual acquisition of mobilization reserves, and maintain a mobilization production base. Peaking of production is avoided, and a gradual transition from build-up to maintenance rates of production is provided. More businesslike procurement practices can be established and compromises in the performance characteristics of equipment avoided.

With respect to training, peaks and valleys are eliminated as the flow of new personnel into the Armed Forces is regularized. This, in turn, reduces the number of men required to man the training establishments of the several services and permits a greater proportion of total strength in the combat elements of our Armed Forces.

The new approach also takes full advantage of the increase in availabilities of new weapons which have indeed created new relationships between men and materials. As these new weapons are integrated into our forces, the striking power of our combat units is being greatly increased in the number of men. These new weapons are contributing not only to an increase in our airpower, but to an increase in our land and sea power as well. The combat power of our ground forces is being significantly improved through the introduction of the atomic cannon, the Honest John free rocket, and the Nike guided missile. The installation of canted decks on our aircraft carriers, the nuclear powered submarines, the development of guided missile warships, are all contributing to the increased power of the seaborn forces of our Navy, as was stated this morning by the chairman of the Committee on Appropriations. The Navy has now asked to be permitted to construct 2 new nuclear-powered submarines, instead of 1, as originally had been planned. That will not change in any way the funds proposed to be appropriated by the bill. There is sufficient money provided in the bill to construct the additional submarine.

The present military program is based on a concept of collective defense-I underscore the words "collective defense"-a defense community composed of most of the free nations of the world.

Although some nations may at times lag and seem not to enter into the full spirit of collective defense, I do not see how a budget can be prepared on any other basis than on the plan of mutual, collective defense.

It is envisaged that in this defense community each nation will contribute the type of forces which it can most effectively raise and maintain. To this collective force of the free world community of nations, we believe the United States can best provide modern global air and sea power and a strategic reserve of highly mobile and well-equipped ground forces. Other members of the free world defense community, we believe, can most effectively contribute the bulk of the ground forces and local air and sea forces for their own defense or to assist in the defense of their neighbors.

This arrangement for the collective defense of the free world is a matter of stern necessity. The United States, with its vast industrial capacity and technological know-how but with relatively limited manpower, can provide the highly complex air and sea forces and the more complicated weapons and equipment for the forces of our allies. United States cannot and should not provide alone any great proportion of the free world community's total ground forces.

It is not to the interest of the United States, or its free-world partners in the collective defense against aggression, to devote too great a share of our young manpower to our standing forces, at the expense of our science and industry. We have a strong belief and a great stake in collective defense. In my opinion, we need our manpower for use in the sciences and in industry, and to assist the manpower of the rest of the free world.

The United States is still the arsenal of the free world, and for many years to come the military strength of our allies will depend on this arsenal. Many would wish that it were otherwise; that our allies were stronger along this line. But we shall have to accept the situation as we find it.

The United States has repeatedly demonstrated its willingness to join in the collective defense of the free world. The United States has very substantial air, sea and ground forces presently stationed in Europe and in the Far East. No nation of the free world has anywhere near the number of military personnel deployed outside its borders as has the United States. No one can question that the American people are contributing their fair share to the collective defense of the free world. The record is clear for all to see. It certainly speaks for itself.

It is within this framework of collective defense that our military programs have been developed. This does not indicate that some of the other nations are not working hard and long in an effort to provide their fair share of defense.

The United States is building forces designed to deter aggression; forces which will provide the basis for winning a war-when I say, "winning a war," I mean winning a war of any kind-if war is thrust upon us; forces capable of

executing all the essential tasks to be performed in the initial phases of a global war, particularly the launching of devastating offensive counterblows. back up these "standing" or "activeduty" forces, we are now developing a ready-reserve force capable of rapid mobilization in time of emergency. This is an area in which much remains to be done. Never again, it now appears, will this Nation have from 2 to 3 years in which to get ready. The readiness level of our reserve forces, therefore, must be vastly improved if they are to be capable of meeting our current and future needs. We are looking to the Department of Defense for concrete results in this area.

The military program reflected in the fiscal year 1955 budget places emphasis on our long suits-on modern air and naval power, on new weapons, and on a highly mobile strategic reserve of ground forces. It provides an overall active duty military strength as of June 30, 1955, of 3,047,000. just about twice the active duty strength we had just prior to our entry into the Korean war. In addition, we will have a reserve military strength of possibly 21/2 million, of which about 832,000 will be in drill-pay status on June 30, 1955. There will also be some four million recently trained personnel in civilian life who would be eligible to serve in the event of an all-out emer-

The Army will have a total strength of 1,172,000 on June 30, 1955, organized into 17 divisions; 18 regiments and regimental combat teams; 122 antiaircraft battalions; and numerous other combat and service-support units. This is a decrease of 2 divisions, and an increase of 5 antiaircraft units.

However, the decrease of 2 divisions is made possible by the successful creation of an effective Army of 20 divisions in South Korea, and by the growing strength of all our allies in Europe and Asia. The Army National Guard will be organized into 27 divisions, an increase of 2 divisions since December 1953.

Where the personnel are needed today, when our country is not engaged in war, is in the Reserve rather than in the standing Army. The Army National Guard will be organized into 27 divisions. As I just stated, that is an increase of two divisions since December 1953. The Army National Guard will be organized also into 28 regiments and regimental combat teams; 112 antiaircraft battalions, which is 11 more than in December 1953; and numerous other combat and service-supported units. My colleagues will note that the manpower is being put into combat units, where they will count in case they are actually needed.

The combat power of the Regular Army will be increased by the activation of an additional armored division, by the integration into the force of new weapons, and by better organization. An example of this is found in the fact that an infantry division now has 84 percent—I repeat the figure, 84 percent—more fire power than it had in World War II. That is a great increase in the striking force of a division.

Combat readiness will be maintained at a high level through intensive training and maneuvers. Mobilization reserves for both the Regular and Reserve forces will continue to be accumulated.

The committee has provided increased funds for the Army National Guard to permit the more rapid expansion of that arm of our defense facilities. In connection with the increased strength of the Army, it may be of interest to note that the dollar value of the Army's current inventory of weapons, including artillery, tanks, and combat vehicles, is almost double that of 1950, and the qualitative improvement greatly magnifies that improvement.

Mr. President, we must remember that our strength lies in having an inventory which is capable of being put to use, not an obsolete inventory, but one which is ready and kept up to date with modernized materiel and weapons, an inventory which includes artillery, tanks, and combat vehicles. I think the fact ought to be stressed that such an inventory is of great value if it contains the right kind of material; but, as previously pointed out on the Senate floor, we discover too often that we have available those items which were easy to obtain and which we therefore obtained, but those items which were hard to get and material to our defense were not in the inventory.

We now have new materials in inventory instead of World War II items, as was the case in 1950.

The committee has also allowed the Army to retain an unobligated balance well in excess of \$1.5 billion in its procurement and production appropriation in order to give the Army flexibility and leeway in meeting any of the requirements which may be imposed by the force of circumstances. These funds are not scheduled for use in the coming year, but they are available for immediate use, should some compelling need arise.

Mr. President, I have just a word of explanation to add. As I said, the purpose is not to use the unobligated funds this year unless the necessity arises. No interest is being paid on that money; it is merely authorized. It is like saying that when the Treasury needs it, it can draw on it, and when the money would be drawn, of course, interest would be payable, and it would be part of the national debt; or, if it were paid from revenue, it would come out of the taxes paid. The reason for that arrangement as to unobligated funds is that we live in an uncertain world. Mr. President, the same uncertainty might make it necessary for Members of the Senate and the House of Representatives to return to Washington if Congress were not in session. I have seen appropriation bills passed, when it was necessary, in very short order. I would say the Congress could appropriate funds for defense even in 1 day. So that we are prepared to take action, but we do not wish to make available money which will be extravagantly expended.

The Navy will be manned by approximately 689,000 military personnel on June 30, 1955, operating 1,080 active

ships, including 404 warships and 676 other ships, and 16 carrier air groups, 15 carrier antisubmarine warfare squadrons, and numerous other air units. In addition, the Navy will have a reserve of about 162,000 military personnel in drill-pay status, and an inactive fleet of 1,400 ships.

The Marine Corps will consist of 215,-000 military personnel, organized into 3 full-strength divisions, and 3 full-strength Marine air wings, consisting of 33 combat squadrons, and backed up by a reserve of 42,000 Reserve personnel on drill-pay status. The Navy and Marine Corps together will fly a total of 13,200 aircraft, including those for the Reserve units and logistic support. More than 50 percent of the combat units are jet equipped.

The combat power of the Navy and Marine Corps will continue to grow as both ships and aircraft are modernized and new weapons are acquired. Our Navy will continue to be the most powerful and modern the world has ever seen.

The Air Force will have 120 wings by June 30, 1955, manned by 970,000 military personnel. It will attain its goal of 137 wings by June 30, 1957. The Air National Guard and Air Force Reserve will have 51 wings by June 30, 1955, manned by a little over 100,000 Reserve personnel on drill-pay status, and will have a total of 57 wings by June 30, 1957. The active Air Force will increase not only in size, but in quality, as modernization of the force is completed. The Reserve forces are increasingly being converted to the use of jets.

The bill provides funds for 1,167 new modern aircraft, and for guided missiles, and technical equipment, as rapidly as they can be produced on a sound production program. It will permit the continuation at adequate levels of the Air Force research and development program in keeping with the overall research and development plan. This program will permit the Air Force to insure that our future combat potential can excel that of any aggressor. It will permit the Air Force to exploit any research success which might allow greater rates of progress than are currently foreseen.

Last year there was considerable controversy over the Air Force budget, but it did not develop on the floor of the Senate, because those who were causing the controversy finally reached the conclusion that the President of the United States and the Department of Defense were correct.

Mr. GORE. Mr. President, will the Senator from Michigan yield to me?

The PRESIDING OFFICER (Mr. Upron in the chair). Does the Senator from Michigan yield to the Senator from Tennessee?

Mr. FERGUSON. I am glad to yield.
Mr. GORE. I believe I must challenge
the last statement the Senator from
Michigan made. I do not believe that I
particularly provoked any controversy;
but I thought the reduction in the size
of the Air Force was far too great. The
fact that I did not offer an amendment
in that connection should not be re-

garded by the Senator from Michigan as an indication that I believed the recommendations were correct. On the contrary, I concluded to my own satisfaction that they were very incorrect.

Mr. FERGUSON. I merely said that the controversy did not develop on the floor of the Senate. No amendment was offered to restore the \$5 billion cut.

Mr. GORE. But if the Senator from Michigan will refer to the statement he just made, he will realize that he went on to say that those who had raised the question or provoked the controversy concluded that the recommendations were sound or correct. In that regard, I think the Senator from Michigan goes

too far, if I may say so.

Mr. FERGUSON. In connection with the controversy of last year, although it was repeatedly pointed out that the 120 wing program reflected in the fiscal year 1954 budget was an interim program, subject to review by the newly appointed Joint Chiefs of Staff, there were many who insisted that our air power goals had been reduced. Events have proved them wrong. The new 137 wing Air Force program includes the same number of combat wings as did the earlier 143 wing program, with two significant differences, namely, that the number of air defense wings has been substantially increased, and the capability of our bomber and tactical wings has been vastly improved by the availability of new weapons.

The present Air Force program provides for a steady increase in the size and capability of the Air Force. The rate of buildup provided in the 137 wing program is consistent with that actually achieved under the original 143 wing program. It is a rate which can be accomplished without reducing the combat readiness of the force in the process, one that can be accomplished efficiently and economically, and one that will enable us to maintain a strong aircraft industry

well into the future.

Significant progress has been made during the last year in developing our airpower. We now have 115 wings, 5 more than the Air Force last year considered possible by this date. This is an increase of 9 wings over the number on June 30, 1953; and all of these are combat wings. Of the 115 wings, 5 are in the early stages of equipping or conversion to more modern aircraft.

Of great significance is the fact that the readiness position of the Air Force has been substantially improved during the last year. By the end of the current fiscal year the Air Force will have 80 percent more wings in the highest category of readiness than it had 15 months earlier. The number of wings in the lowest category of readiness will have been reduced by June 30, 1954, to one-quarter the number in that category in March 1953.

The improvement in the strength of our regular Air Force has been paralleled by a notable improvement in the strength of the Air National Guard and Air Force Reserve. The number of planes in the hands of the civilian components of the Air Force has more than tripled since January 1, 1953. Of the

Air National Guard's 87 tactical squadrons, 45 are scheduled to be partially jetequipped by the end of this fiscal year.

Our present national airpower, including Navy and Marine aviation, is characterized by Admiral Radford, Chairman of the Joint Chiefs of Staff, as unequivocally superior to that of any other nation. Our strategic air force and naval carrier striking force, Admiral Radford goes on to say, are now without peer in this world. Speaking of the Strategic Air Command, General Twining, Chief of Staff of the Air Force. testified in connection with the fiscal year 1955 budget that-

The Strategic Air Command is the best trained and finest equipped long striking force in the world. It is capable of delivering on short notice the highest yield nuclear weapons on targets located any place in the world during daytime or nighttime. This potential the Strategic Air Command possess today. By the end of fiscal year 1957, when the ultimate strength of this command is attained, its present capability will be further increased.

This confidence in the ability of the Strategic Air Command to perform its mission was also voiced by General Le May, Commander of the Strategic Air Command, in a recent speech here in Washington:

All of our experience indicates we can do the job. I believe it; and, what is more important, the crews that fly the planes believe it.

The funds provided for the Air Force in this bill will assure the continued superiority of the United States Air Force in all departments-air offense, air defense, and tactical.

Our present military program places greater emphasis on continental de-fense. The successful development by Soviet Russia of nuclear weapons and their means of delivery has confronted the United States with a problem unique

in its history.

We are, therefore, building-in a rapid. but orderly, fashion-a completely integrated, three-dimensional, continental defense system—in the air, on the sea, and on the land-utilizing the specialized capabilities of all three of our armed services: the Army, the Navy, and the Air Force. In cooperation with our good friend and neighbor, Canada, our defense system is steadily being projected farther from the centers of our population and industry, thus increasing both the period of warning and the chances of successful interception and destruction of hostile aircraft.

New and improved weapons and equipment now under development will be incorporated into this system as soon as they are adequately tested and placed into volume production. Research of problems related to air defense is being pushed with all reasonable speed. Some of the best scientific and engineering talent available in industry and our universities is being utilized in this effort. The fruits of this research will be incorporated into our continental defense system at the earliest possible moment.

I regret exceedingly to say that the threat to our national security which we now face is not likely to lessen within the foreseeable future. In fact, there are many indications to the contrary. The cost of national defense, therefore, may be expected to remain high for many years. That makes all the more necessary economy and efficiency in the conduct of our Military Establishment. They are desirable under any conditions, but because of the long period of time we can see ahead, they are now more imperative than ever. The people of this country who have willingly shouldered the tax burden are entitled to the assurance that their Government is getting a maximum return in military strength for every dollar spent for national security.

It gives me great pleasure to report that notable progress has been made by the Defense Department during the past year or year and one-half-particularly during the past year-in attaining this objective of maximum economy and efficiency. In practically all areas of the program this progress has been evident. Marginal, postponable, and merely desirable activities and projects have been eliminated from the program. Men, material, bases have been brought into balance, and synchronized with training and operating rates. The day-to-day operations of the entire Department of Defense have been streamlined. Stock levels are being reduced by living off the shelf wherever possible, where stock levels were too high. Obsolete and excess stocks are being eliminated, freeing needed warehouse space and reducing storage cost. Financial management is being vastly improved although there is much room for further improvementa fact which has been properly recognized by our Secretary of Defense and his immediate associates. Significant reductions have been achieved in civilian employment. From top to bottom of the Military Establishment there is now a real understanding of the need for economy and efficiency in the conduct of the defense program.

There are still some areas in the program where management improvement is urgently required. One of these is guided missiles. The committee was impressed by the lack of standardization in this vital area. It would appear that better organization and control would produce more usable missiles for less money. We must not leave any semblance of jurisdictional difficulties in any program so essential to our national security. The committee has also been interested in the programs of the Military Department for conducting security investigations of both military and civilian personnel. We are aware of the difficulties and problems which arise in a program of this type and magnitude, and believe the administration of this program would be improved by the establishment of a central point of coordination within the Office of the Secretary of Defense, this position to be filled by a civilian. Prudent and timely action in safeguarding the interests of the Nation as a whole must be accompanied by proper steps to preserve the due process of law with respect to the rights of individuals and we believe this can best

be accomplished as the committee has suggested.

As I told the magazine editors and educators of America at the Columbia University bicentennial last evening, I cannot avoid telling the Senate quite frankly that we live in a world that includes the necessity, even under a representative republic, of rigorously safeguarding national security. We face the need of a rational, clearly defined security program, with a well-conceived system of surveillance and reliable, carefully considered procedures of judgment.

It is a contradiction of human existence that people who love freedom must take means that appear to be against all our traditions, in order to protect ourselves from the few rotten apples who exist in our midst: I regret to tell the Senate that I believe such a security program is essential. It is a deplorable aspect of our times, particularly deplorable because it goes contrary to our nature and our traditions. The difficulties we are having with evolving the right kind of security program arise, in my opinion, from the fact that we are groping along paths unfamiliar to most Americans, toward a method which will insure that those who are disloyal are forced into the open while at the same time we can fully protect the constitutional rights of the individual. This task calls for a high order of tolerance, thoughtfulness and spiritual responsibility. It calls for intelligent discussion, cool-headedness, and sound definitions of the many elements involved. The committee has likewise recommended that the Secretary of Defense survey the activities of the various military services which are in competition with private business and report back to the committee with his recommendations.

The bill as reported to the Senate provides a total appropriation of \$28,861,-585,486, including \$34 million for the liquidation of prior-year contract authorization, Navy, \$7,619,066,986 for the Department of the Army, \$9,719,102,500 for the Department of the Navy, \$10,982,-860,000 for the Department of the Air Force, \$13 million for the Office of the Secretary of Defense, \$527,500,000 for interservice activities, and \$55,000 for the National Security Training Commission. This is an increase of \$177,334,000 over the amount contained in the bill as passed by the House, but is still \$1,025,-470,514 less than the fiscal year 1955 budget estimate.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FERGUSON. I am glad to yield. Mr. GORE. In this troubled and distraught world, when we face dangers which are clearly recognizable, what is the justification for the feeling of the Senator that the Congress should reduce expenditures for national defense?

Mr. FERGUSON. In answer to that question, let me read from page 3 of the House committee report:

The \$1.2 billion reduction effected by the committee is to a great extent the result of cooperative efforts by the committee and the individual services. Of this total, the amount of \$355 million represents items budgeted for deposit to the United States Treasury as an offset to the use of foreign currencies under mutual defense agreements or occupational arrangements.

So we must deduct from the \$1.2 billion the \$355 million which will be used from currencies of other countries which are due the United States.

I note further from the House committee report:

It is the belief of the committee that since these arrangements are not of permanent character the present methods of utilizing and accounting for these foreign currencies might well be continued during the ensuing fiscal year. The amount of \$127 million was volunteered by the Army at the beginning of the hearings. An additional total amount of \$183 million was, in the course of hearings, either volunteered or admitted by the services to be not required because of developments subsequent to the submission of the original budget or because of reprogramlng, or plain errors in computation. the amount of something over \$541 million may be cited as a reduction by the committee.

In addition to the above reductions, rescissions of \$500 million in Army procure-ment and a total of \$550 million in stock funds are effected.

Mr. GORE. Mr. President, will the Senator from Mississippi yield?

Mr. FERGUSON. I yield.

Mr. GORE. The distinguished senior Senator from Michigan has read a good many figures, and has given a very complicated answer. I should like to read the interpretation which General Ridgway placed upon the budget, and ask for the Senator's comments on it. I read from page 59 of the Senate hear-

We are steadily reducing Army forces—a reduction through which our capabilities will be lowered while our responsibilities for meeting the continuing enemy threat have yet to be correspondingly lessened. This reduction in strength has made it necessary for the Army to reevaluate Its military programs, its present force structure, and Its worldwide deployments.

That is the general's interpretation. He refers to a reduction in the capabilities of the United States Army while the threat, instead of being lessened, is as it appears to the junior Senator from Tennessee, more severe now than at the time General Ridgway made the statement. Will the distinguished Senator from Michigan comment on that?

Mr. FERGUSON. Yes; I shall be glad to do so. I recall the testimony of the general before our committee. I recall also the other facts and figures I have given today. There has been a new concept, and I believe the time has come when the other countries in the mutual security compact must realize that, although America has more men under arms than they have, yet America's real place is in science and in industry. It is more in the air service than in the ground service. At the same time, we are building up a reserve to take the place of those who are in the Army. Therefore it would be wrong and a waste of public funds if we used money where it could not be efficiently used in the defense of America.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. KENNEDY. Is it not a fact that the budget was prepared at the time when the United States was proceeding on the assumption that the Navarre plan would be successful in Indochina?

Mr. FERGUSON. No; I would not say so.

Mr. KENNEDY. Is it not a fact that the budget was prepared-

Mr. FERGUSON. It was prepared when the Navarre plan was in effect; but, certainly, there was no assumption that the Navarre plan would work; and no one has come before the committee since the failure of the Navarre plan to state otherwise. The bill was reported as late as the 11th of June, I believe. As I stated before, approximately \$5 billion in carryover will be available to the Army for munitions.

Furthermore, on July 1 of this year there will be available for obligation in the fiscal year 1955, for the three military services, \$44,422,500,000. That amount is made up of the following items: Office of the Secretary of Defense, \$13 million; interservice activities, \$777½ million; Army carryover, \$13,-418,500,000; Navy carryover, \$11,869,-600,000; Air Force carryover, \$18,343,-900.000.

These figures stagger the imagination. There is no shortage of money, and I know of no responsible person in the Defense Department today who claims that there is a shortage of money.

When we restored the \$177 million, we were told that that was all that was needed, and that the Defense Department would not need the other amounts, if we gave them transferability within a particular appropriation. In this bill we give them transferability, because we believe that with the amounts of money involved, the various services can do a much better job and do it much cheaper and get more defense for each dollar if they are allowed some transferability.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield. Mr. KENNEDY. The Senator from Michigan knows that it really makes no difference what the amount in dollars is if the result is a reduction in the number of divisions from 20 to 17. It does not do any good to have \$44 billion for expenditure next year if the result is a reduction in the divisional strength from 20 divisions to 17 divisions.

Mr. FERGUSON. But we do not have any use for the other divisions at the present time, and the men involved might better be employed in civilian industry, helping to increase the national wealth and to produce materials for the military, instead of being in positions where they are not needed. The other divisions are needed.

Mr. GORE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. GORE. The Senator says there is no need for the additional divisions.

Mr. FERGUSON. At the present time.

Mr. GORE. Does the Senator entirely write off the value of having a strategic reserve, ready for use in case of imminent danger? Is the Senator saying that, because we are not involved in a specific

conflict at the moment, we do not have need for a national defense reserve ready for instant and quick employment?

Mr. FERGUSON. I have not said that. We have substitutes for those divisions in Korea. There are now in Korea 20 divisions of ROKS, which are now capable of taking the place of our two divisions.

Let me say further to the Senator that I believe maintaining our divisions in Japan has the effect of keeping Japan from rearming. The Japanese have a right to believe that they do not have to use any of their own people when our forces are in Japan. We want the aid of the Japanese. As I have stated before, we have taken a New Look at America's defense.

Mr. GORE. Is this the New Look budget?

Mr. FERGUSON. It is the new pro-

Mr. GORE. Does the Senator still believe in the so-called New Look program, which has now been abandoned by all officials of the Department of Defense, except that it now means a cut in national defense, and is the Senator still proclaiming a New Look program, which I understand to be nonworkable in this day of world peril?

Mr. FERGUSON. Yes. In the state-ment I have made today I have outlined to the Senate the program which has been made up. It represents a dif-ferent conception. We expect some criticism of it; naturally, we cannot change from the old to the new without receiving some criticism. But I believe, and the committee believes, that the budget represented in the figures contained in this bill is a proper budget for the defense of America.

Mr. GORE. I should like to say, as one Member of the Senate, that I believe it is a desperate gamble with national defense, a desperate gamble with national security and the freedom of the world, a desperate gamble with the chance of having peace, instead of war. The New Look program has already proved its failure in Indochina, and yet we are still considering a program which was prepared on the assumption that it would work. Since the time the budget was submitted, Secretary Wilson has stated that it is still regarded by him as sound. It is now discarded even by the French.

Mr. FERGUSON. I realize that the Senator believes what he has stated, but, after hearing the experts who have charge of the budget for the Defense Department, those who are responsible for our defense, and of whom I have been critical at times, I have to assume they are familiar with the facts and have a better right to claim a wiser judgment than do those who are not familiar with all the facts.

Mr. KENNEDY. Mr. President the Senator from Michigan yield? Mr. President, will

Mr. FERGUSON. I yield. Mr. KENNEDY. I agree that those of us who are not members of the Appropriations Committee do not have the detailed information which the Senator from Michigan has, and, therefore, have to rely upon the statement of the Senator, but it has been testified that the overall combat effectiveness of the Army by the end of 1955 will be somewhat less than it is today.

That statement was made before the situation in Indochina deteriorated so drastically at the end of March. I am asking the Senator from Michigan how he can expect us to vote for a lessened armed strength when the situation is deteriorating as it is in southern Asia.

Mr. FERGUSON. If the Senator believes that America should use two divisions and place men in Indochina, and that we are going to war tomorrow, or within the foreseeable future, then he should vote for more money and the military authorities should be asked to get more soldiers. But, as I outlined the situation previously, that is not the plan of the United States at the present time.

Mr. KENNEDY. Since the budget was made up and those statements were made, have not the dangers of war breaking out increased?

Mr. FERGUSON. No; I do not think so. In my opinion, the danger of war breaking out is about the same as it was. There is no evidence that we are going to have a lessening of the threat of war.

Mr. KENNEDY. Has not the possibility increased that the United States will have to bear its proportionate share of united action in southeast Asia? The Senator is not saying that the chances have decreased, is he?

Mr. FERGUSON. No. I am saying that at the present time, with the amount of money the military authorities have, the number of reserves, and the other conditions under which we are providing for our defense, an additional amount is not needed. That is all I am saying.

Mr. KENNEDY. The only reason why the Senator from Tennessee and I have a feeling that the situation is deteriorating is because of the statement of the President and the Secretary of Defense. The budget which the Senator now suggests be established has been based on the supposition that there has been no deterioration in the situation.

Mr. FERGUSON. No. I say there is no need for additional divisions. It is not demanded that we furnish additional money to provide for those divisions. If they are going to be needed, Congress will provide for them. Are we to say to the President of the United States who approved this budget and who does not ask for the two divisions, that we in Congress are going to force two divisions on him, that we are not going to allow him to put them into the Reserve, but we are going to force them on him and he is to keep them in Japan?

Mr. KENNEDY. What did General Ridgway say? He said the Army has been guided by basic economic and strategic decisions which have been made at a high level. So the decision was not made at the suggestion of General Ridg-When the Senator from South Carolina [Mr. MAYBANK] questioned him, he refused to say he had approved it. He said he would support it.

Mr. FERGUSON. The higher level was the President of the United States, the Joint Chiefs of Staff, and the civilian elements of the military. Should we disregard what they say is proper for our

security? I say we have in our overall strength more power than the two divisions. We have achieved an 84-percent increase in firepower. A reasonable question deserves an answer, of course. The answer is to be found in the fact that during World War II an infantry division was sent into combat with 14,700 weapons. Today an infantry division is equipped with 20,098 weapons. It is a fact that today modern weapons deliver more explosive power for each impact, and the rate of delivery capability has also materially increased. In Korea we are providing and equipping Korean soldiers at a fraction of what it would cost to keep a similar number of American boys in uniform.

Mr. KENNEDY. General Ridgway stated that the Soviet capacity is not changing to our advantage. Merely because the ROK forces have increased in strength does not mean that the balance of power is changing in our direction, because the Chinese military strength has increased. So the point I would make, from General Ridgway's statement, is that at the end of 1955 we shall have less effectiveness than we have today. With the situation in the world as it is, with the possibility, which the Senator cannot ignore, that we may be called upon to play a part in southeast Asia, does the Senator feel that we should reduce our military potential?

Mr. FERGUSON. I am basing my judgment on that of the President of the United States who was and is a military man, the highest general we have had. who is familiar with the facts, and also upon testimony given before the committee that the two divisions are not required at the present time. We are better off with them in the Reserve.

If we wish to try to match Soviet Russia, man for man, and operate on the basis of trading in battle human flesh for human flesh, we shall not be able to do that. We must accomplish our purpose in other ways. We must accomplish it by the productive capacity of our industries and by other forces than ground forces, which Russia can always outmatch.

Mr. KENNEDY. Is that the reason why the Senator from Michigan advocated a cut of \$5 billion in the air strength last year, and is proposing this year a \$5 billion cut in the ground forces? Mr. FERGUSON. Not a single combat

plane was eliminated last year.

Mr. KENNEDY. Does the Senator mean to say that the number of combat planes which could have been provided in the budget of 1953 would not have been greater than the number we shall have by 1957?

Mr. FERGUSON. That is correct. Mr. KENNEDY. There has been a 2-

year delay.

Mr. FERGUSON. Funds have been provided. There is a \$18 billion carryover for the Air Force.

Mr. KENNEDY. Does the Senator mean to say that nothing has been lost by eliminating planes and stretching out the program?

Mr. FERGUSON. Obsolete planes would have been on order; there would not have been modern planes on order.

Mr. KENNEDY. But the planes would have been as modern as could be obtained.

Mr. FERGUSON. Some of the \$5 billion was for the purchase of parts for planes which were obsolescent. Under the previous system, 65 percent of the cost of a plane was spent for parts in the first year. Parts were being manufactured and then stored all over the world. Some of the planes for which the parts were being made were either obsolete or obsolescent. There were \$4,500,000,000 worth of parts on hand. The question was whether it was wise to store such an expensive inventory of parts which would quickly become obsolete or obsoles-

So I say to the Senator that the \$5 billion did not cover only the planes; it included many other items. For instance, the Air Force eliminated 9,000 butchers and bakers who were not needed. The Air Force likewise eliminated 2,700 musicians in bands, who were not needed. About 7,000 automobile mechanics were dispensed with.

Mr. THYE. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. THYE. As a member of the Subcommittee on Defense Appropriations, and having been present at some of the hearings, I wish to support the able chairman, the Senator from Michigan [Mr. FERGUSON], in his contention that sufficient funds are available for our national defense. This is according to the best judgment of the Joint Chiefs of Staff and of the President. Surely no one would dispute the fact that the President probably is as well capable of making a military decision as is anyone else in the world, although I will confine the comparison to the United States.

In examining the record of the hearings, I find, on page 44, the following: Senator MAYBANK. And you are satisfied that there are sufficient funds.

General RIDGWAY. I accept this decision as a sound one and am putting everything we have behind its execution.

I could continue to read further from General Ridgway's testimony in answer to some of the questions, but I wish only to support what the Senator from Michigan has said about a reexamination of our entire defense expenditures.

I was present when the information was made available about the excess number of butchers and similar personnel who could not be associated with our national defense in any sense. Upon close examination of the entire manpower question and the subject of spare parts, spare motors, and other spare equipment, it was found that there was an excess of such material which could very well be eliminated from the entire program.

There was wisdom in last year's action in curtailing the number of older models of planes which had been scheduled for construction before the so-called reexamination or New Look had been taken. Such equipment would have been obsolete in a short time.

I might say to the Senate that the Select Committee on Small Business has held a number of hearings on the ques-

tion of sweating down or making junk out of the aluminum bodies of planes which have become obsolete. Considering the large number of obsolete planes which have had to be junked in recent years, it must be realized, as an intelligent leader or, we might say, a construction expert, would realize, that it would be folly to build planes indiscriminately and in large numbers, simply because it was desired to have a certain number of planes, although they would rapidly become obsolete. They would not be the type of planes we would want to have our pilots fly in combat areas.

So, in their wisdom, men like Secretary of Defense Wilson, former Deputy Secretary of Defense Kyes, the Joint Chiefs of Staff, and President Eisenhower, came to the conclusion that the right type of plane for this country to build was one which would have great striking power.

Large numbers of other types of planes might have been built, requiring large ground forces and housekeeping services, so to speak, but they would quickly have become obsolete planes; and if such planes were thrown into combat on short notice, they would not be battleworthy. and a number of men would have been sacrificed needlessly, because they would have been like sitting ducks for the modern planes of an opponent.

From the standpoint of our national defense, I have gone through this year's hearings and last year's hearings as critically as any other Member of the Senate, whether he be Democrat or Republican, and I have come to the conclusion that those who have been charged with the responsibility of our defense have exercised good, sound judgment. They have been prudent administrators, who have solved the problem of excess spare parts and superfluous personnel, such as cooks and meatcutters. They have reduced the manpower to a basis comparable with what would be found in an executive organization in private business.

We shall not now find a string of men representing what might be called related strength to the fighting strength in the air or on the frontline with the planes. These are fighting units, comparable with the combat units of the Artillery and other branches of the Armed Forces.

I respect the interest of the Senator from Tennessee [Mr. Gore] and the Senator from Massachusetts [Mr. Ken-NEDYl in this subject. They are to be commended, because they are trying not only to make a record which will satisfy a critical public who will read the record, but also to make certain that they, as Members of the Senate, are not negligent in their own responsibilities and duties with respect to the national de-

Speaking as one member of the committee, whose only purpose was to try to obtain information, I thought there was commonsense in the testimony given by Secretary of Defense Wilson, former Deputy Secretary of Defense Kyes, and the Joint Chiefs of Staff. No one could have greater admiration for General Ridgway than I. Not only have I ad-

mired his military record, but I esteem him personally. I was very careful to note his remarks in reply to the question as to whether he was satisfied with the recommendations of the administration as to the funds.

All of us know that military men, more especially those who are accustomed to handling combat troops, will never concede that they have a sufficient number of such troops. They always want more ground troops in the line of defense, if they have the privilege of asking for more. But General Ridgway said, according to his testimony on page 44 of the hearings, that he was satisfied.

I presume that if he had been asked whether he would make recommendations, he would have said that, in the overall picture, perhaps 1 or 2 more divisions could have been used.

In the main, the ROK troops in South Korea are very good troops. They are inspired by their great leader, President Syngman Rhee There is no question about their strength. We are far stronger as of today in manpower and striking ability than we were 2 years ago. or even a year ago, because of the manpower and strength of the ROK troops, and because of settling the question with respect to what might be called standby or useless manpower, which was found in the Armed Forces before they were screened, and because of the reduction in the overall cost and the screening out of standby, surplus, or spare parts which were to be found in the form of inventories throughout the land.

I wish to commend the Department of Defense and the President for having gone into the situation so thoroughly. I specially desire to commend the chairman of the Subcommittee on Defense Appropriations, the distinguished Senator from Michigan [Mr. FERGUSON], because no member of the entire committee spent more time than did the Senator from Michigan in endeavoring to get the facts into the record, so that the Senate would be certain not to make an error in appropriating funds for the type of striking force which is being developed.

Mr. GORE. Mr. President, will the

Senator yield?

Mr. FERGUSON. I am glad to yield to the Senator from Tennessee.

Mr. GORE. The able Senator from Minnesota has raised the question, as did the senior Senator from Michigan, whether it is more in the interest of national defense to have blueprints or planes. I do not mean that in the extreme sense. I do not mean to suggest that the Senator has raised the question that we have either all blueprints and no planes or all planes and no blueprints. Obviously, the Senator does not raise the question in that extreme degree.

This is not the first time I have heard that point raised. I remember hearing a similar argument at some length in the House of Representatives before our involvement in World War II. Obviously, a balance must be found. We cannot fail, and must not fail, to have blueprints for better planes for the future; but let me remind the Senator that not one plane fought in World War II which was not already on the drawing board before

our involvement in that war. Of course, a blueprint cannot very well combat MIG jet fighters. The balance must be met at the time of danger it seems to me, by having the fighting craft and combat craft of the best type which can be manufactured, in an amount recommended by the military authorities, plus plans for the future.

There is always the problem of obsolescence. I have served on the subcommittee of the Committee on Appropriations of the other House handling the Air Force budget. I know it is said that every plane becomes obsolescent the day it is turned out by the factory. Obsolescent by what standard? By the standard of future plans. But we cannot hide behind the plans for the future and permit our defense for the present to be cut drastically.

Mr. THYE. Mr. President, will the

Senator yield?

Mr. GORE. I yield if the Senator from Michigan yields for that purpose.

Mr. FERGUSON. I yield.

Mr. THYE. Mr. President, I agree with the Senator from Tennessee that we will never win a battle with blueprints, but we have more than merely blueprints. There was a time when we were talking about 143 wings, and such numbers as that, but those wings were merely drawings and imaginary figures on the trestle board, although we were led to believe they were absolutely in being. In sessions of the Appropriations Committee I have found that, prior to the time Secretary of Defense Wilson appeared before the committee, there were changes in the number of combat planes, bombers, and trainer planes to be acquired by the Army. So changes are always being made. If the Senator should go to the Plaza in front of the Capitol and look at 2 automobiles of the same make he could recognize which model of the same car was this year's model when compared with the car of the same make manufactured 2 years ago. So there is a constant, revolutionary change taking place in the manufacture of any type of mechanical equipment.

Mr. GORE. I understand that, but one cannot ride in an automobile of the future. If one is to ride home in an automobile this afternoon, it must be one which is already manufactured.

If there is to be united action, for which Secretary of State Dulles and the President seem to be pleading—and it will perhaps be the subject of discussion when Prime Minister Churchill and Mr. Eden reach Washington next week—what are we going to contribute to united action? Will it be blueprints or planes, provisions or divisions?

Mr. THYE. The Senator from Tennessee is far too intelligent to try to frighten either the senatorial body, the listening public, or the press by implying that we have not anything with which to fight. We have a very fine fighting force—one which is more compact and more compatible in its component parts and in its fighting readiness than what we had on the trestle board 3 years ago.

Mr. GORE. The Senator is correct, but the Bureau of the Budget is asking for a reduction in the Armed Forces.

Mr. THYE. The Senator from Tennessee does not have the floor any more than I do. I hope he will bear with me long enough for me to complete my thought.

Mr. GORE. May I say that I enjoy bantering with my colleague from Minnesota.

Mr. THYE. I merely wish to say to the Senator from Tennessee that, for the defense of our country, so far as military strength is concerned, in tanks, artillery, and other weapons used in combat, in airpower, and in atomic weapons, I think we are so far in advance of what was on the trestle board 3 or 4 years ago that we should be grateful. I think we should have airplanes of such modern construction that when this country takes to the air no one will be able to get on the tails of our planes and dog them to the ground. I want our country to be in such a position that our planes will command a superior position in the air. We are in a much better position today than we were several years ago when the planes were on the trestle board. We have much better planes going through assembly lines. We have them moving through in accordance with the plans of the best available construction and industrial engineering.

Mr. GORE. Will the Senator yield

further?

Mr. THYE. I am happy to yield, but the Senator from Michigan has the floor. Mr. FERGUSON. I am glad to yield.

Mr. GORE. Of course, our strength and the adequacy of our strength must be judged comparatively with what a possible enemy may have. The Senator has stated that he wants the United States Air Force and the military strength of the United States to be superior to any possible enemy. Let me read what General Ridgway had to say about that:

The military power ratio between the Western defense capability and the Soviet bloc's capability is not changing to our advantage.

The situation is not static, as I think the Senator will admit. If it is not changing to our advantage, I submit that, in the opinion of General Ridgway, it is changing to our disadvantage.

Mr. THYE. Mr. President, will the Senator from Michigan yield further?

Mr. FERGUSON. I yield.

Mr. THYE. I should like to read from the record concerning the subject:

You ask to have it in executive session, and we will have it, but you leave your previous answer that it was a sound decision.

General RIDGWAY. What I said is that I said I accept this 1955 budget program as a sound decision, and I have no doubt of the Army being able to solve the problems which that program entails.

That is General Ridgeway's statement. Mr. KENNEDY. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Michigan yield to the Senator from Massachusetts?

Mr. FERGUSON. I yield to the Senator from Massachusetts.

Mr. KENNEDY. I read from the testimony of General Ridgway on the same page:

General RIDGWAY. I would like, if I may, Mr. Chairman, to make a little bit better answer to Senator MAYBANK's question. It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts that decision as a sound one, and he does his utmost within his available means to carry it out.

From that exchange between the Senator from South Carolina IMr. May-Bankl and General Ridgway, I do not see how one can get the idea that General Ridgway favored the cut in the Army. The decision was made by the President, and General Ridgway accepted it.

Mr. MAYBANK. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. My only reason for not pressing the point further was that I knew there would be a supplemental appropriation bill, and then, of course we expect to hear from General Ridgway, General Van Fleet, and other officers.

Mr. THYE. Mr. President, I was present when the Senator from South Carolina asked the question which has been referred to and the discussion which ensued is to be found in the hearings. I have just read some of those paragraphs.

Mr. MAYBANK. Mr. President, let me say, in justice to General Ridgway—for I do not wish to misquote him—that all I know about the matter is what he told me in public, at the hearings, namely, that he preferred to answer the questions in executive session.

Mr. THYE. That is correct.

Mr. MAYBANK. However, my information is that he is not satisfied.

Mr. THYE. Nevertheless, in the main I received the inner conviction and feeling that General Ridgway meant that no military man is ever satisfied with what is contained in the national defense plans and appropriations.

Mr. MAYBANK. Mr. President, let me say that for the first time in United States history, the Army's budget was sent to the Navy, for it to comment upon; and, similarly, the Navy's budget was sent to the Air Force, for it to comment upon; and the Air Force budget was sent to the Army and the Navy, for them to comment upon. Never before has such a thing been done. I think that is shown in the record.

Mr. THYE. Yes. However, I wish to say that I gathered from the hearings that, in the main, from the standpoint of the national defense, the plans were adequate and the appropriations recommended were adequate, and could be properly applied.

Mr. MAYBANK. I certainly agree, because there will be a supplemental appropriation bill for the Army, the Navy, and the Air Force. The House already has a bill on military construction, and

it can be amended, I hope, so that the Army, the Navy, and the Air Force, will be adequately provided for.

WATER FOR IRRIGATION AND DO-MESTIC USE FROM THE SANTA MARGARITA RIVER, CALIF.

The PRESIDING OFFICER (Mr. UPTON in the chair) laid before the Senate a message from the House of Representatives announcing its disagreement to the amendments of the Senate to the bill (H. R. 5731) to authorize the Secretary of the Interior to construct, operate, and maintain certain facilities to provide water for irrigation and domestic use from the Santa Margarita River, Calif., and the joint utilization of a dam and reservoir and other waterwork facilities by the Department of the Interior and the Department of the Navy, and for other purposes, and requesting a conference with the Senate on the disagreeing votes of the two Houses thereon.

Mr. BUTLER of Nebraska. I move that the Senate insist upon its amendments, agree to the request of the House for a conference, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. BUTLER of Nebraska, Mr. MILLIKIN, Mr. KUCHEL, Mr. Murray, and Mr. Anderson conferees on the part of the Senate.

AMENDMENT OF SHIP MORTGAGE ACT, 1920, AS AMENDED

Mr. HENDRICKSON. Mr. President, there is now at the desk a bill (H. R. 6276) to amend the Ship Mortgage Act of 1920, as amended, which was unanimously passed by the House on June 7. An identical bill, S. 2407, was unanimously passed by the Senate during a call of the calendar on April 19.

I am advised that, through an inadvertence the House in passing this bill failed to move to substitute the text of the Senate measure. Therefore, in the interest of expedition, I ask unanimous consent that the Senate proceed to the immediate consideration of House bill 6276, which is identical to the bill aiready passed by the Senate, as I have stated.

The PRESIDING OFFICER laid before the Senate the bill (H. R. 6276) to amend the Ship Mortgage Act, 1920, as amended, which was read twice by its title.

The PRESIDING OFFICER. Is there objection to the present consideration of the House bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. STENNIS. Mr. President, will the Senator from New Jersey yield to me?

Mr. HENDRICKSON. I am glad to yield.

Mr. STENNIS. I am not familiar with the bill. However, as I understand, the House bill is the same as the Senate bill which was passed by the Senate during a call of the calendar.

Mr. HENDRICKSON. That is correct. Furthermore, I understand that the minority leader approves the action now proposed to be taken.

The PRESIDING OFFICER. If there is no amendment to be proposed, the question is on the third reading of the hill

The bill (H. R. 6276) was ordered to a third reading, read the third time, and passed.

DEPARTMENT OF DEFENSE APPRO-PRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Mr. MANSFIELD. Mr. President, will the chairman of the subcommittee yield for some questions?

Mr. FERGUSON. I am glad to yield. Mr. MANSFIELD. Can the chairman of the subcommittee tell us whether the defense budget was drawn up before the crisis occurred in Indochina; and, if so, were any changes made because of what occurred in that area of the world in the past several months?

Mr. FERGUSON. The budget embodied in this bill was in the making and made beginning in August of last year and extending into November and December; and no changes have been made because of what has occurred in Indochina. I would say.

I wish to call attention to the fact that there is a carry-over item of almost \$5 billion for production for the Army, alone. The House deleted \$5 million of the total amount of that carry-over, and the Senate committee did not remove the rest of it. That item is for procurement. and so forth. So, notwithstanding the \$1,200,000,000 which was to be used in Indochina, in this budget there is up to \$5 billion that could be used for materiel. In short, we shall have plenty of shot and shell, as required by the Army.

Mr. MANSFIELD. Does the Senator from Michigan mean to say, then, that the carryover amounts to only approximately \$5 billion?

Mr. FERGUSON. No; that is the carryover for only the item of procurement and production.

Mr. MANSFIELD. I see. Mr. FERGUSON. It is unobligated. It is a separate item.

Mr. MANSFIELD. But by reducing the amount, as the committee did-

Mr. FERGUSON. No, we did not reduce or cut it; we left it as it was.

MANSFIELD. However, House of Representatives made a cut in the item, did it not?

Mr. FERGUSON. The House of Representatives removed \$5 million, so the item now stands at approrimately \$4,500,000,000.

Mr. MANSFIELD. The Senator from Michigan has mentioned a number of figures in regard to the Army, the Navy, the Marine Corps, and the Air Force. Can he tell us how many divisions the Army will be reduced in this fiscal year? Mr. FERGUSON. Two divisions.

Mr. MANSFIELD. To what extent will the Army be reduced next year, in its division strength?

Mr. FERGUSON. I am speaking of fiscal year 1955; I consider it to be next

year, although I spoke of the budget as being for this year.

Mr. MANSFIELD. But the 1955 appropriation is the one we are discussing, because in the fiscal year 1954, two divisions are being taken away

Mr. FERGUSON. I will state the figures for the military force of the Army, by divisions: As of June 30, 1950, 10 divisions; as of June 30, 1953, 20 divisions; as of June 30, 1954, 19 divisions. So the Army expected to reduce the number of divisions by 1 before June 1 of this year.

Then, by June 30, 1955, there will be 17 divisions-or 2 less than 19 divisions. which will make 17 divisions in the fiscal year 1955

Mr. MANSFIELD. Very well; but when it is stated that only one division will be removed this year, I think the statement may be open to question, because if my memory serves me correctly. the administration has announced that the 40th and 45th infantry divisions will be withdrawn from Korea—the last one today, I believe—and that these divisions will be deactivated, and that no divisions will be created to take their place.

Mr. FERGUSON. Those are the two divisions that will be out next year.

Mr. MANSFIELD. No; this year. Mr. FERGUSON. I do not consider that they are to be deactivated this year. but they will be deactivated by next year.

Mr. MANSFIELD. Then, as I understand the Senator from Michigan, this year and next year there will be a total reduction of 3 divisions, instead of 4, as I had indicated.

Mr. FERGUSON. Yes; three from the beginning of the year.
Mr. MANSFIELD. Very well.

I do not ask about a military secret when I ask the chairman of the subcommittee whether he can tell the Senate how our divisions are stationed throughout the world. We have six divisions in Europe. How many have we in Korea?

Mr. FERGUSON. I do not know. I would tell the Senator if I knew. In the first place, I do not know; and, secondly, I do not know whether the number of divisions in Korea is security information or not. However, that is not the reason I withhold the answer.

Mr. MANSFIELD. I understand. would not have asked the question if I had thought it was security information.

Mr. FERGUSON. I know the Senator would not.

Mr. MANSFIELD. It is common knowledge that we have six divisions in

Mr. FERGUSON. Yes. Mr. MANSFIELD. We have 5 or 6 in Korea, including 1 marine division; and 2 or 3 in Japan, including 1 marine division. On the basis of those figures. I felt we must have 6 divisions-or perhaps 4 or 5 divisions-in this country. Of the divisions in this country, the so-called mobile reserve, how many have we that are combat ready at the present

Mr. FERGUSON. I should say that all those in the United States are combat ready at the present time.

Mr. MANSFIELD. My informationand I get it from the press-is that in this country we have one combat-ready division, namely, the 82d Airborne. If that be the case, then I think the New Look is not a good look, so far as the defense of the country is concerned.

Mr. FERGUSON. What does the Senator mean by "combat ready in this

country"?

Mr. MANSFIELD. Ready to go at

1 day's or 2 days' notice.

Mr. FERGUSON. They must be transported. The Senator talks about divisions "ready to go." In calculating the number of troops we are to create, we must always consider the number we can transport.

Mr. MANSFIELD. We have transportation for the division referred to.

Mr. FERGUSON. We have transportation for a certain number of troops.

Mr. MANSFIELD. The point I am getting at is this: There are some things which need looking into. I am sure the Senator has looked into them and knows a great more than he is willing to tell. I can understand that. But we are confronted by a loss in the Army of three divisions within the next year. So far as the Marine Corps is concerned, it has been squeezed down to the point where it can have only three combat-ready divisions. The Senator's prepared statement indicates that the Marine Corps will have three full-strength marine air wings

Mr. FERGUSON. That is correct. Mr. MANSFIELD. My information is that at the present time the Marine Corps has only two full-strength air wings.

Mr. FERGUSON. Let me answer the Senator's previous question. As shown on page 42 of the printed hearings, I asked General Ridgway the following question:

Can you give us the number that are combat effective?

General Ridgway said in reply: I would say 18 out of the 20 are.

I do not know what two divisions he was talking about. He said something about certain divisions being in training.

Mr. MANSFIELD. At the bottom of that page there is some reference to the Marine Corps air wings, but I am unable to come to a definite conclusion as to exactly what those remarks mean.

Mr. FERGUSON. I remember no testimony by General Shepherd to the effect that he wanted t more money for or more men in the Marine Corps. Does the Senator know of any testimony in which he stated that only two Marine Corps divisions are combat effective?

Mr. MANSFIELD. No. Let me say to the Senator that I have had no contact with the Army, the Navy, the Marine Corps, or the Air Force.

Mr. FERGUSON. This is a large record.

Mr. MANSFIELD. I am refering to a statement which I either read in the press or heard somewhere. What I am seeking is elucidation.

Mr. FERGUSON. There is no request for more money by General Shepherd or anyone else in behalf of the Marine Corps. I do not understand why, at this

date, any of the marine divisions should not be up to strength and ready.

Mr. MANSFIELD. Then, I take it from the Senator's remarks that, so far as he and his committee are concerned, they believe that the Marine Corps must have 3 combat-ready divisions and 3 marine air wings, 1 for each division?
Mr. FERGUSON. That is correct.
Mr. MANSFIELD. The next question

has to do with the Navy. It is my understanding—and again I am speaking from the public record—that under the New Look the Navy will lose 50 ships, which will go into mothballs, and that the Navy personnel will be reduced by approximately 80,000 men. Is that correct?

Mr. FERGUSON. I will obtain the figures for the Senator in just a moment.

During the fiscal year 1955 the Navy will have 405, as compared to 409, major combat ships. The number of Navy men in uniform will be reduced during the fiscal year 1955 from 740,000 to 689,-000. The reduction is possible, without reducing the number of ships, by eliminating men now assigned to noncombat duty.

Mr. MANSFIELD. That is for the coming fiscal year?

Mr. FERGUSON. That is correct. Mr. MANSFIELD. What has the reduction been this year? Have as many as 50 naval ships been put into the mothball fleet?

Mr. FERGUSON. I shall have to try to find the answer to that question.

Mr. MANSFIELD. I have one question about the Air Force. I understand that we have at the present time, or soon will have-by June 30, 1955-120 wings, and that by June 30, 1957, we shall reach the goal of 137 wings.

Mr. FERGUSON. That is correct. Mr. MANSFIELD. I also understand that at the time the New Look speech was made by Secretary Dulles, reference was made to "instant retaliatory striking power." That, of course, referred to the Strategic Air Command. Under the New Look instead of the 58 air groups which the Strategic Air Command was supposed to have under the old 141-group objective, it is my understanding that they will have only 54 groups, and that at the same time there is a great deficiency in technicians and mechanics in the Strategic Air Command. Is that correct?

Mr. FERGUSON. I should not say that there is a great deficiency. I know that there is difficulty in keeping in the service men who are skilled in certain trades. The services are doing everything they can to retain such men. They are trying to devise some method involving a bonus or some other arrangement such as fringe benefits, or something else, to keep in the service men who are skilled in the various mechanical trades and expert trades. It is not because of the lack of money that the services have been unable to retain such men. It is a question of rotation.

There are two aspects to rotation. Men who become trained and skilled while in the service then go out into civilian life. If war should come, or an

emergency should arise, they could be called back. They will have the necessary skill. While at first blush it may seem that we are paying out more money than necessary to train new men, who, after they receive training, leave the service and go into civilian life, yet the overall reserve is being built up. Although it might appear that we lose the cost of training new men, if, unfortunately, we should ever go to war again we would have the benefit of 2 or 3 trained and skilled men to do a particular job when they are called back into the service. So we cannot say that because a man becomes trained and expert while in the service and leaves the service at the end of his first term, we have lost his services for all time. If we do not train new men and maintain the reserve, we face the grave danger of training only the men who are expected to remain in the service. If we lose them because of age, there is no one left to meet an emergency. I think there are two sides to the question involved in keeping men in the service for a long time. We must maintain sufficient continuity so that new men can be trained as they come in, and we must keep a sufficient number to operate the services efficiently.

Mr. MANSFIELD. I can see the Senator's point of view, but I would be less than frank if I did not say that I am very much disturbed by the so-called New Look in our defense setup. I do not like to see the Army reduced by three divisions. I do not like to see the Marine Corps being squeezed down to barely three combat-ready divisions. I do not like to see the Navy losing some of its ships, and being weakened to that extent.

We are talking about such things as united action. We have been talking about such things as intervention in various areas of the world. How are we to take such action if we do not maintain our military and naval strength, if we do not appropriate the necessary money, and if we do not authorize the creation of the necessary air wings, fleet divisions, and squadrons? That is what worries me. I am afraid that we may be economizing at the expense of security. Security should certainly come first.

Mr. FERGUSON. I merely wish to say to the Senator that if I thought one additional dollar was essential to obtain the objectives the Senator and I, too, desire, and if the objectives were needed for the program now, instead of building up the program in an orderly manner, I would agree with him. However, I am convinced from the testimony and the record that that is not the case. Of course, the Senator must realize that certain testimony is always taken off the record.

Mr. MANSFIELD. I understand.

Mr. FERGUSON. If we were to divulge the exact number of planes and number of ships, we would give information to the enemy. The Senator understands the situation. He serves with me on the Committee on Foreign Relations, and he appreciates how much testimony is taken off the record, as by necessity it must be.

Mr. MANSFIELD. I may say on that point, before the Senator goes any further, that it must be absolutely understood that everything I have mentioned today I obtained from the public record.

Mr. FERGUSON. There can be no

doubt about that.

Mr. MANSFIELD. I can understand that, as the Senator states, a great deal of testimony is heard in executive session and it cannot be divulged either on the floor of the Senate or in public. However, I again want to make it plain that my information comes from the press of this country, and I am not di-vulging any classified information.

Mr. FERGUSON. I appreciate that fact. I should like to say, in answer to 1 of the Senator's questions, that it is planned to operate 1,080 ships and to maintain in a ready status 3 Marine divisions and 3 Marine air wings.

This is a reduction of about 50 ships from the number operated in 1954. These ships consist mainly of 2 escort carriers no longer required for Korea operations, 6 auxiliaries, and other supporting vessels. As a result of the shipbuilding program authorized in prior years, our fleet will continue to grow in combat power as new units report for active duty. We will continue to operate the same number of aircraft, however, and their battle effectiveness will be increased by the addition of—then the statement I have before me gives the number of planes.

Mr. MANSFIELD. I thank the Sena-

tor for his answer.

Mr. LEHMAN. Mr. President, will
the Senator yield for a question?

Mr. FERGUSON. I yield.

Mr. LEHMAN. I wonder whether the distinguished Senator from Michigan would advise the Senate whether, in his opinion, the situation in the world is less serious today than it was a year ago.

Mr. FERGUSON. I say frankly that I do not know the answer to that question. I see evidence that it is not; yet, at the same time, if we take Korea into consideration and the propaganda coming forth from Geneva and the situation in Indochina, we could very well say that it is more serious than a year ago.

However, I am not sure that I can give what I consider an intelligent answer, because there are many factors and varying elements to be considered on both sides of the question. A year ago we were in actual combat in Korea. Now the fighting there has stopped. The situation in Indochina is certainly fluid and serious. I do not want to say that the situation is worse today than it was a year ago. There is evidence around the world that it is not so serious as a year

Let me put it in this way, Mr. President: Because of the present disputes between the allies it might be thought that the situation is more serious than it was a year ago. I believe the same psychological divisions existed a year ago and 2 years ago, but we in America did not have the nerve to ask our allies how they felt on some very important subjects. I believe if we had asked Britain or France what they would do if

we went into Korea, we would have received a hesitant answer. Instead of asking them and in that way knowing what the situation was, we did as the ostrich does; we buried our heads in the sand and thought there was nothing to worry about.

Now we know where they stand. We know how they feel. I am glad to know that Mr. Churchill and Mr. Eden are coming to America. I hope they will understand how we feel on some of these vital questions. We hope and pray that. not only from a military viewpoint, but from a psychological and spiritual viewpoint also, they will be in the same boat with us, and realize that the world is confronted with a major problem.

It is true that when we asked our allies to form a partnership in southeast Asia they hesitated. Hesitation on their part had existed all along; but we did not know it. Now we have finally, as the slang expression has it, "smoked them I believe that is one reason Mr. out. Eden and Mr. Churchill are coming to Washington, if I were to give the Senator a guess on the subject.

Mr. LEHMAN. I share the Senator's great satisfaction that Prime Minister Churchill and Mr. Eden are coming to Washington. I think the results of their conference with our President will be very useful and helpful. However, in response to my very definite inquiry as to whether the Senator thought the situation was less serious or less dangerous today than it was a year ago, he replied that he really could not say, that he did not know.

Mr. FERGUSON. I believe there are balancing factors on both sides. I want to say, as an aside, that it is not so serious as it was a year ago, from the standpoint that the hydrogen bomb is a success. I believe that is the greatest deterrent to war we have ever known. Our ability to carry and deliver the hydrogen bomb is a deterrent and must be considered as a factor weighing against believing that the situation is more serious today.

Mr. LEHMAN. Let us assume that there are some compensating features because of the development of the hydrogen bomb. If it is true, as the distinguished Senator from Michigan has stated, that he is unable to give any assurance that even in his own mind the situation is less serious than it was a year ago, how can he justify a reduction of \$5,318,000,000 in the appropriation for the Department of the Army alone? That certainly would indicate that in his opinion there is a lessening of the tension, which I do not believe to be the

Mr. FERGUSON. I will say to the distinguished Senator from New York that I went over that whole subject earlier in my remarks, and tried to prove by evidence, which is not of a security nature. that we have a different program today than we had before.

I recall when the three services came to Congress and said, "We want onethird each." If we look into past appropriations we will find that the pie, so to speak, was cut three ways. That pro-

cedure has gone out the window. There is no such thing any more as one-third for each service. It is no longer a question of one-third for each service but a question of what the responsibility of each service is in the defense of America. We say to the services, "We care not whether your name is the Army or whether your name is the Navy or whether your name is the Air Force; we ask you what your responsibility is in the defense of America and the rest of the free world."

That is how we drew up this program. The Senator says that we have taken a certain amount of money from the Army. Why should we not ask other nations to furnish foot soldiers, which they can furnish very well. They have the manpower. Why should we not furnish the aviators and the scientists and the machinists—the men who can do a better job in other directions? We are all in one common defense, as I see it. That is the reason I say it should not be considered that because we have reduced the number of foot soldiers America is not strong. We are strong.

Mr. LEHMAN. Mr. President, will the Senator from Michigan yield for another

question?

Mr. FERGUSON. I vield.

Mr. LEHMAN. I can thoroughly understand the explanation with respect to dividing the appropriation into three equal parts, giving one-third to the Army, one-third to the Navy, and onethird to the Air Force, but we have cut from the Army approximately \$5,450,-000,000. That is in addition to the tremendous cut which we made last year. I wonder whether the Senator can show me where, in reducing the appropriation for the Army, any compensating increase has been provided for the other services.

Mr. FERGUSON. I did not catch the last part of the Senator's question.

Mr. LEHMAN. I was wondering whether the Senator can show that, in reducing the funds for the Army by more than \$5,400,000,000, we are increasing appropriations in any way for the other arms of our defensive forces so as to compensate for the reduction in the appropriations for the Army.

Mr. FERGUSON. We are not increasing the appropriations for the other services over the amounts provided last year. There is a carryover of \$44,400,-000,000. In the case of the Army there is an unexpended balance, unobligated, of \$5,798,939,000. That is the carryover for the next fiscal year. Let me put it this way: Congress lost control of the purse strings. I see the distinguished Senator from Virginia [Mr. Byrol is in the Chamber. He and I have worked on this proposition. The way we lost control of the purse strings was that we were appropriating large sums of money, up into the billions of dollars, which were not used and could not be used during the current year. As the Secretary of Defense said, "How can you expect economy when you provide open tills containing billions of dollars, and give the power to spend that money?" What we have been trying to do-I admit we have not done as good a job as should have been done, and I think the Senator from Virginia [Mr. Byrd], who is very familiar with this subject, is greatly concerned about it—is, for the sake of economy, to reduce the amount of the carryover, although not so rapidly as I think it should be reduced.

Perhaps I have not answered some of the questions asked during the course of the debate, but I wish to say that the \$5 billion which was cut from the Air Force appropriation last year did not affect one combat plane. We could appropriate another \$10 billion, but by so doing we could lose control of the purse strings. It would give to the various services the idea that there is no economy. How could a man operate a home or a business if he paid no attention to what he put into the bank and how much he withdrew?

Mr. LEHMAN. Mr. President, will the Senator from Michigan yield for one more observation?

Mr. FERGUSON. I yield.

Mr. LEHMAN. So far as I can see, this is not merely a reduction in dollars and cents. I have the greatest respect for the conscientious manner in which the Senator from Michigan and the Senator from Virginia have approached this subject. I know how very thorough, careful, and conscientious they have been. But we have reduced not only the appropriation in dollars and cents, but have actually reduced the manpower of the Army to a very considerable extent. In other words, by the end of 1955 we shall have reduced the manpower of the Army from 20 divisions to 17 divisions, a reduction of 15 percent, and we shall have reduced military personnel by approximately 230,000, or 16 percent.

The Senator from Michigan may be perfectly correct in his assumption, but when he tells me he cannot express any opinion as to whether the situation is less serious today than it was a year ago, and I find it is proposed to cut \$5,300,-000,000 from the appropriation this year on top of a reduction of approximately \$10 billion last year, it simply does not

make sense to me.

Mr. FERGUSON. If the Senator wishes to ask whether I think there is less need for foot soldiers in the American Army today than there was a year ago, I will say emphatically that there is less need for combat ground troops today than there was a year ago. A year ago we were fighting a war in Korea. We had not built up the ROK divisions. Does the Senator feel that as we build up our common defense with the foot soldiers of other nations we cannot reduce the number of foot soldiers of America? That is what we are going to do, and are doing, as I view it.

Mr. LEHMAN. The Senator has asked me a question. I certainly do not believe we are safe in placing sole or even main reliance on massive retaliation. I think we need the other branches of

our service as well.

Mr. FERGUSON. I have never said and I do not intend to convey the idea that massive retaliation is the only method of fighting a war. I said we were prepared to fight any kind of a war that aggression might force upon America. One of the important things to have in mind is the possibility of massive retaliation. If the enemy of the free world today could rely upon the fact that America would not resort to massive retaliation, what would there be to stop that enemy? I say the time has come when we should speak out, not as a threat, but as a promise, and say that in case of aggression, America will defend herself and the rest of the free world. Why should we try to hide our power? I, for one, do not want to mislead Russia into believing that America will not apply massive retaliation. think it is only fair to her civilization and to ours that we speak in no uncertain terms, not as a threat, but as a fact, that, in case of aggression we will resort to massive retaliation.

Mr. LEHMAN. I agree with the Senator on that point.

Mr. FERGUSON. I think that what will stop war in the world is the belief that America will use massive retalia-

Mr. LEHMAN. I agree with the Senator that there is no reason why we should hide our power. But when we boast of our power, we must have power: we must have power to support our threats and our boast. Otherwise, we make ourselves vulnerable.

Mr. FERGUSON. I am not boasting; I am humble here today, but I thank my God that today America has something with which to defend her civiliza-

Mr. LEHMAN. That is right. That is what I am fighting for even more vigorously than is the distinguished Senator from Michigan. I believe the budget for defense which is embodied in the pending bill is entirely inadequate for our needs: that we have made ourselves vulnerable because we have cut and cut and

I am willing to cut. I am willing to match the Senator's desire for economy in every way, except when it threatens our security. I believe that an inadequate defense budget seriously threatens our security.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BYRD. I wish to express my full agreement with the distinguished Senator from Michigan with respect to what he has said about unexpended balances. When he was called upon to serve as chairman of the Subcommittee on Armed Services Appropriations, the unexpended balances for the military, if I recall correctly, approximated \$65 bil-

Mr. FERGUSON. That is correct. I believe that was the figure.

Mr. BYRD. Today the unexpended balance is approximately \$45 billion.

Mr. FERGUSON. That is correct.

Mr. BYRD. That is a reduction of \$20 billion. How has that reduction been made? It has been made by reducing current appropriations, and by utilizing the unexpended balances to replace the reductions in the current appropria-

Mr. FERGUSON. I think that is the only way the problem can be solved.

Mr. BYRD. That is the only way it can be done. I agree 100 percent with the Senator from Michigan, that the huge unexpended balances practically destroy the control of Congress over the appropriations. I wish to commend the Senator from Michigan upon the fact that during his brief service as chairman of the subcommittee he has been instrumental in bringing about a substantial reduction in the unexpended balance. In my judgment the Senator from Michigan has rendered a splendid service in this capacity.

I hope the time will come when there will be a rescission of the unexpended balances, and that there may be substituted contract authority. At present when the armed services purchase or contract for a battleship, for example, Congress appropriates the total amount, although the battleship may not be constructed for 4 years. During that time, the unexpended fund remains as a carryover balance. I hope the time will come when Congress will appropriate on a current-year basis and then enable the Navy Department, for example, to contract for a battleship which will be paid for as the work is done. In that way Congress can survey the situation each year and determine whether to continue the appropriations.

In regard to the funds available for the military, there will be \$45 billion of unexpended balances as of July 1. We are now appropriating in the bill approx-

imately \$30 billion.

Mr. FERGUSON. That is correct.

Mr. BYRD. That makes a total of \$75 billion, available on and after July 1 next if I calculate correctly.
Mr. FERGUSON. That is correct.

Mr. BYRD. That is for military purposes, effective July 1, 1954, which is considerably in excess of what the expenditures will be for the next year.

Mr. FERGUSON. Yes.

Mr. BYRD. I wish to express my strong agreement with the policy which the Committee on Appropriations has now adopted, a policy of gradually cutting down the unexpended balances. I hope that the committee will go still further so that we may begin to appropriate on a current-year basis.

That will afford a great clarification of knowledge on the part of the Members of Congress, and will enable us to understand better what we are doing.

With \$75 billion to be available for expenditure beginning July 1, 1954, I do not see how anyone can complain that there will not be adequate funds for military purposes for the next current year.

Mr. FERGUSON. I thank the Senator from Virginia for his remarks.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield. Mr. MONRONEY. I am greatly disturbed about the reduction of funds in the Defense appropriation bill. I can understand, as the Senator from Michigan has said, that perhaps some of the appropriations for Defense can be reduced because the money cannot be spent during the fiscal year. But I wish to ask the distinguished chairman of the subcommittee if the funds to which he has referred as being appropriations hereto-

fore made are available to restore the three divisions that will be lost to the service of the United States and to the rest of the free world, in a period of history when I think we face one of our greatest crises. Cannot that money be used to maintain, equip, and continue as an operating branch of our ground forces the three divisions which it is proposed to eliminate?

Mr. FERGUSON. As the record now stands, about \$1 billion would be needed for the personnel of the two divisions.

Mr. MONRONEY. Some collateral equipment would be needed, however.

Mr. FERGUSON. No; there is sufficient equipment. There is plenty of equipment. In fact, there is a \$5 billion fund for what is called the equipment item. That is all carryover. It has not been used, and it is not intended to be used unless the necessity arises. So there is nothing needed in that line. There cannot be a transfer of funds from the personnel division into the material division. For that reason, only such an amount of money would be needed as was necessary to pay the soldiers and incidentals in connection therewith.

Mr. MONRONEY. I heard the remarks of the distinguished Senator from Michigan about massive retaliation. I agree with him that it is desirable to be able to employ massive retaliation should it become necessary. But may I ask, could not a potential enemy also deliver massive retaliation, if they had a sufficient number of bombs? That does not necessarily mean that they would have to be able to match our bombs in number. because if we had enough to deliver one such bomb at each major target, we would not need 10,000, inasmuch as there would not be any further targets left to hit.

But while we place some reliance on massive retaliation, we must recognize that a potential enemy also has capacity to employ massive retaliation. In the final test, I believe our survival might depend upon the readiness—and I mean the combat readiness-of three additional combat divisions.

Under the bill, we are reducing the strength of the free world because we are unwilling to appropriate, as the Senator has said, \$1 billion to provide the per-

Mr. FERGUSON. We are not losing strength. I may say to the Senator that all the reserves in the United States are the manpower of America.

Mr. MONRONEY. Does the Senator

Mr. FERGUSON. Will the Senator wait a moment? I wish to answer him. The Senator talks about weakening our defense. The men in the reserves are not lost to America's defense; they are merely permitted to return to civilian life. Those same individuals can be called for service in the event of a war which we hope will never come.

Mr. MONRONEY. If the distinguished Senator from Michigan thinks that the Reserves of the United States are in any shape or state of mind or readiness to provide the military strength the United States needs in this critical hour, he is unfamiliar with the facts with respect to the Reserve components.

One of the great divisions which fought in the Korean war was the 45th National Guard Division of Oklahoma. I have talked with many of the boys of that division since their return. They are not ready to drop their life's work, to sacrifice their business, to go places half way around the world, and to be the nucleus of our Army's ground forces, while we neglect to train, equip, and place in readiness the young men who are growing up, who have not seen 1 day of military service. Two-thirds of the men in the National Guard units and other Reserve units spent many years in the service during World War II. Many of them spent years on the icy hills of Korea.

Does the Senator from Michigan now tell the United States Senate that it is proposed to call those same GI's back again and to place them in the Reserves. so as to provide the country with the armed strength it needs?

Mr. FERGUSON. I say to my dear friend, the Senator from Oklahoma, that many of those who today are in the Armed Forces, and who will be allowed to separate themselves from the Army, are the very ones who have fought in Korea. Does the Senator propose that those men should be kept in the service now, and not allowed to be discharged? As reservists all of them will want to come back into the service, if America ever needs them.

Mr. MONRONEY. The men are being rotated out of the service as their terms of enlistment, Reserve service, or selective service expires. What the senior Senator from Michigan is proposing in the bill is not to permit the building up of three brandnew divisions, well trained, combat-ready, and strongly equipped, to add to Uncle Sam's military might. In this critical hour I think we are being pennywise and pound foolish, and I am afraid we are putting tax reductions ahead of the armed strength which America, as the leader of the free world, must have in order to inspire the confidence of other free nations in its leader-

Mr. FERGUSON. The facts are clear. and I may say to the Senator from Oklahoma that if we keep in Japan the divisions now there it will be inviting and actually causing Japan not to draw on any of its own citizens for military duty so that they can take the place of American boys. Why should America today supply such forces? When Japan has the capacity and the manpower to maintain Japanese divisions to defend herself, why should Japan not do so?

Mr. MONRONEY. I may say to the distinguished chairman of the subcommittee that it is the most foolish argument I have heard-

Mr. FERGUSON. It may seem foolish to the Senator from Oklahoma.

Mr. MONRONEY. That we should not activate again three divisions because we have divisions in Japan which will be moved out. The total strength of the United States Army, whether it be in divisions in Japan, or in Germany, or in divisions transported back to the continental limits of the United States, is still the strength of the free world. It is the nucleus of its strength.

Mr. FERGUSON. What is the strength of America? America's strength is that which she herself has, plus the strength of her allies. Now, is it not desired that our allies build up the numbers of their foot soldiers? I am not the one who has asked and demanded that the two divisions be dropped. It is the President of the United States, the Defense Department, the Joint Chiefs of Staff who have done so, and I believe, from what I can learn from a study of the facts, that they are wise when they put America's strength in other than these two divisions.

Mr. MONRONEY. As I understand, it is three divisions we would lose, in addition to other manpower in the Marine Corps and the Navy.

Mr. FERGUSON. The Marine Corps is not losing any combat strength.

Mr. MONRONEY. I think the record will show that the Marine Corps is losing combat strength as well. In spite of the authorities which are cited, I think the distinguished Secretary of Defense. Mr. Charles Wilson, the former president of General Motors, does not know as much about the problem as does General Ridgway, who was muzzled by the standing orders of the general staff from telling the committee in open hearings exactly the situation as he felt it to be.

Mr. FERGUSON. Let us take the facts and the record. The Senator from Oklahoma has no evidence that General Ridgway was muzzled. Let me read the testimony of General Ridgway. The Senator from Oklahoma is casting reflections upon the Appropriations Committee.

Mr. MONRONEY. I do not say he was muzzled by the Appropriations Committee, but he was under orders of his superiors-

Mr. FERGUSON. He was not under orders-

Mr. MONRONEY. To agree to the budget which had been decided upon by the Joint Chiefs of Staff, and he could not deviate from that agreement.

Mr. FERGUSON. Does the Senator from Oklahoma charge General Ridgway with being a man who would come before a committee of the Senate of the United States and allow himself to be muzzled? Let me read what General Ridgway stated, as it appears on page 43 of the hearings:

Senator MAYBANK. Were you satisfied with the force levels?

General RIDGWAY. I accept this program as a sound one.

Senator MAYBANK. You accept it, but are you not satisfied?

General RIDGWAY. I am satisfied now, sir.

Mr. MAYBANK. Mr. President, will the Sènator yield?

Mr. FERGUSON. I shall yield in a moment or two.

On the next page, 44, the following appears:

Senator MAYBANK. Yes, but at the same time you have the confidence of the people in this country, not only you, but the Secretary as well, and you then believe it is a sound decision and you carry it out.

General RIDGWAY. I certainly do, sir. Senator MAYBANK. And you are satisfied that there are sufficient funds?

General RIDGWAY. I accept this decision as a sound one and am putting everything we have behind its execution.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Sena-

tor from South Carolina.

Mr. MAYBANK. I have the greatest respect for the chairman of the subcommittee, but my interpretation of what General Ridgway said was that he accepted the decision. Every time he was asked the question, he said he accepted the decision. Of course General Ridgway would accept the decision. Of course Admiral Carney would also accept a decision, and of course General Twining would accept a decision made by the overall military authorities. I wanted the record clear because I mentioned General Ridgway's name. When I asked him the question, he stated he would rather testify in executive session, did he not?

Mr. FERGUSON. Yes, but there is not any evidence in the record to show, and I do not think it is fair to say, that General Ridgway was muzzled.

Mr. MAYBANK. Mr. President, will

the Senator yield further?

Mr. FERGUSON. I yield to the Senator from South Carolina.

Mr. MAYBANK. I never said General

Ridgway was muzzled.

Mr. FERGUSON. I know the Senator from South Carolina did not. The Senator from Oklahoma did.

Mr. MAYBANK. I did not suggest that he was muzzled. I wanted to make sure that the record showed that General Ridgway said he accepted the decision. He did not say he proposed it.

Mr. FERGUSON. When the Joint Chiefs of Staff sit down as a group to work out a problem, the fact that one member advocates a certain course when the problem is being developed does not necessarily mean he is right. It has been stated on the floor of the Senate today that it is entirely wrong for one of the services to see or look at the budget of another service. I thought we tried to bring about unity among the various arms of our Defense Establishment. If the three services are not going to work together as one unit for the security of America, and finanlly make up their minds on one course, but, instead, go three different ways, and the head of each of those departments advocates his own personal opinion, disregarding the opinions of his fellows on the Joint Chiefs of Staff, or the opinions of the President of the United States or the Secretary of Defense, then we will get no adequate defense.

Mr. MAYBANK and Mr. LONG ad-

dressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and if so, to whom?

Mr. FERGUSON. I yield first to the Senator from South Carolina.

Mr. MAYBANK. I hope the Senator from Michigan does not think I made such a statement.

Mr. FERGUSON. Oh, no.

Mr. MAYBANK. All I said was that the testimony was that each branch passed the budget to the other one for its comments. I made no suggestion that that should not have been done. I only meant that it was the first time it had been done. I do not wish to have it thought that I made such a suggestion.

Mr. MONRONEY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Oklahoma.

Mr. MONRONEY. In the bit of testimony which the Senator from Michigan read from page 44, a very interesting paragraph was not included, and I should like to read that portion now:

Senator Maybank. That is all I would like to have, is clarification, so when I vote I know I got you and the Secretary of the Army in

agreement on the appropriation.

General Ridgway. I would like, if I may, Mr. Chairman, to make a little bit better answer to Senator Maybank's question. It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts that decision as a sound one, and he does his utmost within his available means to carry it out.

In other words, the commander of the ground forces was under superior military decision, and he did not willingly, and could not, within his idea of the duties of a career military officer, go beyond the limits which had been prescribed for him by his superior officer. Is that not correct?

Mr. MAYBANK. He said he accepted the decision. That is what he told me.

Mr. MONRONEY. So I think we have before us today in the record, with all due regard to the chairman of the Appropriations Subcommittee, a clear picture of exactly how dangerously we are asked to reduce the ground forces by the provisions of the bill which is before the Senate today.

Mr. LONG and Mr. STENNIS addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Michigan yield, and if so, to whom?

Mr. FERGUSON. Mr. President, I should like to reply. I am not getting an opportunity to answer some of the questions for the RECORD.

I read now from page 82 of the hearings, when I was asking questions of Admiral Radford, Chairman of the Joint Chiefs of Staff:

Senator Ferguson. Did you understand that in December, when you used this expression here "unanimously agreed to it," that it was an agreement that was a proper program?

Admiral Radford. I did last December; yes, sir.

Senator FERGUSON. Did you know other than what you heard yesterday that General Ridgway may not be what is known as satisfied?

Admiral RADFORD. I had previously read his statement, and from that had a feeling that he was not satisfied.

But he said he would accept it, and he did accept it, as a sound decision.

Mr. LONG. Mr. President, will the Senator from Michigan yield to me?

The PRESIDING OFFICER (Mr. Beall in the chair). Does the Senator from Michigan yield to the Senator from Louisiana?

Mr. FERGUSON. I am glad to yield. Mr. LONG. I do not question the judgment of the Senator from Michigan insofar as the deactivating of 2 or 3 divisions is concerned. Quite to the contrary, it seems to me that the greatest single waste we are making is by having United States divisions stationed overseas, when it would be so much more economical to use foreign troops. Furthermore, in the event of war, that would result in saving the lives of thousands of Americans.

Mr. FERGUSON. Yes, and I said the same about the situation in Japan; and I believe what I said to be true.

Mr. LONG. General Ridgway has been mentioned in the course of the discussion. However, there are several other generals who know a great deal about that situation. One of them is General Van Fleet, one of the most successful generals who commanded our troops in Korea. General Van Fleet wrote for the Reader's Digest an article I happened to read. In it he said that the Korean troops make just as good fighters as do the Americans. He further said that it would be possible to put into the line 20 divisions of Korean troops-man for man the equal of American troops-for the cost of one United States division.

There are 20 Korean divisions. They must be good, because the American generals assign those divisions to holding 75 percent of the line, while our divisions hold 25 percent of the combat line against the Communists and North Koreans

So why do we not return some of our American divisions to the United States and replace them with a similar number of Korean divisions? For example, for the cost of keeping one United States division in the field, we could have 20 Korean divisions there, for the Koreans have sufficient manpower to supply the needed divisions.

Mr. FERGUSON. I think that is sound reasoning and proper military strategy.

I tried to say, in the beginning, that the United States must recognize its manpower situation in the world. The United States must recognize its situation from the point of view of technical knowledge. If the United States is to help the free world in maintaining peace, we must look to our own manpower and our own capacity, the number of men we have, and whether they should be foot soldiers or airmen or assigned to the Navy or to the Marines, or to the air service of the Navy and the Marinesservices we are forgetting all about-or whether they should be air reservists at home or whether they should be National Guard reservists.

I believe that all those questions must be answered by the military. Of course, we, as laymen, then are called upon to use our best judgment, after hearing their testimony about the appropriations they should have. We must decide whether the appropriations they request should be made. As a member of the committee which voted to report the bill to the Senate, let me say that I do not know of one member of the committee who opposes having Congress make the necessary appropriations. It is said by some that I am attempting to cut the appropriations for the Army. On the contrary, all I am trying to do, as chairman of the subcommittee, is to present to the Senate the evidence which was submitted to the subcommittee.

The Senator from Louisiana knows about the waste in manpower in the military services. For instance, he knows what he found to be the situation at the airports in north Africa. I believe he indicated that at one airport there were 245 automobile mechanics.

Of course, that situation has been changed, with the result that approximately 8,000 or 9,000 personnel have been shifted to places where they really are neded. The result is, of course, not to reduce the military strength of the United States. On the contrary, the military strength of our country is really increased thereby.

Mr. LONG. I should like to suggest that six divisions of United States troops in Korea—or more than half a million American troops there—are too many, because it costs 20 times as much to keep one American boy in Korea as it does to arm and maintain a South Korean there.

Mr. FERGUSON. I understand that to be the correct figure.

Mr. LONG. General Van Fleet's testimony on the subject is that, if permitted to do so, we can train the South Koreans for battle better and more effectively than we can train our own boys. General Van Fleet offers a very simple explanation for that; namely, that there is not so much complaint from the mothers and other relatives of South Korean young men when they are put through the dangerous training that is necessary in order to give an infantryman the best grounding and experience for battle—the principal difference being that Americans are not willing to have their sons trained under actual battle conditions, beneath artillery fire, for lives are lost under such conditions. However, if men are trained in that fashion, they become better soldiers when they are sent into battle.

So I believe we should remove some of our divisions from Korea.

I would be the first to agree that a certain number of American troops should be kept there although not nearly the number we have there now—because the presence of American troops there will assure any aggressor beyond any possibility of doubt that American troops would be fighting the moment an aggressor attempted to resume the fighting in South Korea.

Mr. FERGUSON. And there would be assurance that the American troops who would be fighting there would not be limited to ground troops; there would be that warning.

Mr. LONG. That is correct.

At this time we can replace many of the American divisions we have in Korea; they can be replaced with South Korean divisions. The result will be to assure us that, in the event of an outbreak there, there will not be nearly so many American casualties as otherwise there would be, and that our allies will make a greater contribution, in the event the war in that area should be renewed.

Mr. STENNIS. Mr. President, will the Senator from Michigan yield to me? Mr. FERGUSON. I yield.

Mr. STENNIS. I should like to ask several questions; but, first of all, I desire to commend the Senator from Michigan for the very fine work he does as chairman of the subcommittee on Department of Defense appropriations. I know that he works both day and night on the Department of Defense appropriation bill.

I wish to discuss a point which I believe will not be reflected as much in the appropriation bill this year as it will be in the appropriation bill next year. I refer to the Reserve program. I have been interested in the Flemming report, and I have hoped very much that some proposed legislation in regard to a new Reserve program would be included among the legislative bills to be considered at this session, because I am convinced that that is the method to which we shall have to resort in order to use our manpower properly and in order to be able to foot the bill.

I understand that the report is now perhaps with the Security Council. I am sorry that no proposed legislation on the basis of the report will be before the Senate at this session, although I believe that to be the case, because it is now too late in the session for us to deal with legislation of that sort. However, I believe we shall have to formulate a Reserve program; and, incidentally, let me say that I do not refer only to the Reserves from World War II or from the Korean war.

Mr. FERGUSON. I agree with the Senator from Mississippi about that.

Mr. STENNIS. I mean a Reserve Corps composed of young men who will take less than 2 years of training, and then will be assigned to a Reserve unit of some sort, and will be called upon to render duty over a period of time, and to maintain their training. I believe we shall be driven to it from an economic standpoint. Furthermore, I believe it is the best way for us to have the continuing military program that I think the Senator from Michigan agrees is a necessity for several years to come.

I should like to have the Senator from Michigan discuss that point.

Mr. FERGUSON. Mr. President, I wish to refer to the Reserve program since I am one of those who believe that to be one of the solutions, because of our limited manpower. We would not be doing justice to the facts if we tried to brag about the number of men we have, for we have only a limited number of men who can be soldiers. Therefore, we must utilize our men to the best possible advantage.

That reserve program is being studied. The report has been issued. I do not know whether all the recommendations, or only some of them, will be adopted. The report has not yet come to Congress. It must have the consideration of the Secretary of Defense and his staff, and of the President.

This program is very important. It is a part of our whole scheme of things. I am told that there is sufficient money in the bill now, including what is provided for the reserves to allow a start to be made on this program if it is decided to put it into effect. Naturally it is a big program, and I think it should be a big program.

It is planned to use the National Guard to man the so-called NIKI sites a part of the time. That is equivalent to having a division. Our Army is not entirely a volunteer Army. It consists partly of draftees. Therefore, if the National Guard can render a real service in connection with the NIKI sites, where they will be actually working as soldiers, they will be better men in case it becomes necessary to call them into the service.

I wish to read two paragraphs from our report. They are very important. I read first from page 10, under the heading "Reserve Personnel Requirements":

The House allowed \$28 million for this purpose, the full amount of the budget estimate. The committee concurs in the action of the House; however, the committee has inserted a provision in the appropriation language authorizing the transfer of an additional \$5 million to this appropriation from other funds available to the Department of the Air Force. The requirement for additional funds is based upon the expanded Reserve program required in fiscal year 1955.

On the same page, under the heading "Air National Guard," the report reads as follows:

The House approved the full amount of the budget estimate of \$160 million for the Air National Guard. The committee concurs in the action of the House; however, the committee has inserted a provision in the appropriation language authorizing the transfer of an additional \$9 million to this appropriation from other appropriations available to the Air Force. The additional funds will allow for necessary active-duty training of the Air Force Reserve Officers Training Corps graduates who will be commissioned as second lieutenants in the Air National Guard during fiscal year 1955.

We increased the amount of money which could be used for armories for the National Guard, because we believed that the National Guard must enter into our thinking in relation to national defense.

Mr. STENNIS. As the Senator from Mississippi understands, \$36 million was provided for the National Guard by the so-called Ferguson amendment.

Mr. FERGUSON. That is true.

Mr. STENNIS. I commend the Senator from Michigan for that step.

Let me say further to the Senator that I hope he will follow up on the so-called Flemming report, so that it may be put into effect as soon as possible.

I understand that two types of reserves are contemplated. One is the callable Reserve, which is more or less in a state of readiness. Then there is the general reserve, on a selective-service basis, more or less. I think the Senator from Michigan will agree that we must come to that program. By the way, there is now in the law provision to enable the secretaries of the respective armed services to expand the Reserve and allow

more of the selective-service selectees to go into the Reserve.

Mr. FERGUSON. That is correct.

Mr. STENNIS. I doubt if that program is being pushed. I think it should be emphasized. I believe Congress must take the lead in putting into effect the Reserve programs. The military must do the planning, and must put together the various components, but I think the policy will have to be pressed by the Congress.

Mr. FERGUSON. I am aware of the fact that in previous years there was a feeling of hesitancy in relation to the Reserves. It was considered much better to get them into the Regular services. However, I think there has been a change in the thinking of those in the Departments. They now realize that because of the great mass of people who have been taken over by the Communists, we can never expect to match walls of flesh against walls of flesh in battle. We must meet the problem in some other way. Therefore we must prepare with Reserves. We must prepare in the way determined upon by our national officers.

Mr. STENNIS. I should like to make one further observation. In addition to a change in the thinking of those in the Departments, I believe there has been a change also in the thinking of the

people.

Let me add a word to what the Senator from Louisiana [Mr. Long] has said about General Van Fleet's plan of training native troops, based upon what he has actually done in Korea, based upon his recommendations, official and unofficial, and based upon the general necessity involved in world conditions. The only real tangible hope I see for solving the problem of southeastern Asia is a program of training native troops of Asia. That is the only way by which effective resistance can be made against the spread of communism in southeastern Asia, or anywhere else. We do not have the necessary manpower, and we could not finance the necessary manpower if we had it, to put a sufficient number of divisions in Asia to take care of the situation. But it can be done, and it has been done, by the use of native troops as was demonstrated in Korea. General Van Fleet believes that the soldiers of other Asiatic countries, if they have the will to fight, will be just as good as those of Korea. I think we should emphasize that program. I think that is the major part of General Van Fleet's mission in that area today.

Mr. FERGUSON. I thank the Sena-

tor for his observations.

Mr. DOUGLAS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield. Mr. DOUGLAS. The House report on this bill, on pages 5 and 13, states that the reduction in the strength of the Army by June of next year will be 235,-000 below the present figure, and a reduction from 20 divisions to 17 divisions. Does the Senator from Michigan believe that to be a correct statement?

Mr. FERGUSON. The sheet I have before me shows that the personnel on June 30, 1954, will be 1,407,500. On June

30, 1955, it will be 1,164,000.

Mr. DOUGLAS. That is a decrease of slightly more than the figure I mentioned. That would represent a decrease of 243,000. Is it the understanding of the Senator from Michigan that there will be a reduction in the number of divisions from 20 to 17?

Mr. FERGUSON. The figures I have with respect to the number of divisions show that, as of June 30, 1954, there will be 19 divisions; and that on June 30,

1955, there will be 17.
Mr. DOUGLAS. The table on page 13 of the House committee report shows 20 divisions as of June 30, 1953. One division has been demobilized since that time. The reduction in 2 years will be 3 divisions.

Mr. FERGUSON. Yes. Mr. DOUGLAS. In other words, there has been or will be a total demobilization of three divisions.

Mr. FERGUSON. Yes; as compared with the number actually fighting in Korea.

Mr. DOUGLAS. This budget report

was made at a time-

Mr. FERGUSON. We have some additional strength in the Army. We have the same number of regimental combat teams, but we have an increase in antiaircraft battalions from 114 to 122. In addition, there are the National Guard personnel engaged in manning certain guided-missile sites.

Mr. DOUGLAS. Of course, with a reduction of 243,000, not only will there be a decrease of 2 or 3 divisions, but some of the combat units will probably be at less than combat strength, that is, less than that provided for by the tables of organization.

Mr. FERGUSON. Not in actual combat strength.

Mr. DOUGLAS. I am not at all certain that the combat units, regimental teams, and divisions will not be at something less than full effectiveness. However, the point I wish to make is that the budget estimates, and the reduction in the Armed Forces were projected last December, at a time when the administration said-and it continued to say so for some months afterward-that we had the diplomatic initiative all over the world, and that the military and political situation was moving in our favor.

Since then military affairs have taken a bad turn for the worse in Indochina. Since then the diplomatic situation in the Far East has deteriorated. India from neutrality has moved into an attitude of quasi-hostility. Since then France has wobbled more. Our relations with Great Britain are worse. Instead of the diplomatic initiative now being in our hands, the diplomatic initiative seems to be moving against us. It is a solemn question that I now ask the Senator from Michigan.
Mr. FERGUSON. I do not share the

Senator's premise.

Mr. DOUGLAS. Is the majority party ready to take the responsibility of cutting the armed services at such a crucial time in the history of the world and in the history of this Nation?

Mr. FERGUSON. I can speak only for myself. I am willing at this time, from the evidence before me, to accept the opinion of Dwight D. Eisenhower, the President of the United States, on this subject, because he is in the midst of it.

Mr. DOUGLAS. If things go well, the majority party is ready to accept the praise, is that it?

Mr. FERGUSON. Of course, the Senator from Illinois may have a crystal hall.

Mr. DOUGLAS. No; I am simply ask ing the question: If things go well, will

the majority party accept the praise?
Mr. FERGUSON. I merely say that I do not attempt to look into crystal balls. I try to base my judgment on the facts before me. That is what I am trying to do now, no matter what may happen in the future. If I am wrong, no explanation will be of any value. However, I say to the Senator that today I do not believe that dollars are going to do the job. I believe it will be team work of our allies, working with us, that will do the job.

We must say to them, "We cannot furnish so many combat troops. We must furnish certain categories." If cannot furnish so many airmen. we are to have an effective defense of the world, as we build ourselves up, there is no reason why we should not drop some of our men from the armed services and send them back to civilian work and have the other nations call some of their men up and put them into the armed services. Why should Japan furnish troops of its own if we keep our troops there to defend Japan?

Mr. DOUGLAS. I merely wish to point out to the Senator from Michigan that a very grave decision is being made, namely, the cutting of the total strength of the Army by approximately one-sixth. and that if the majority party feels that this is in the national interest, if the Secretary of the Defense feels that it is in the national interest, then with their greater access to the facts, I certainly am not going to stage an all-out fight against them. But it is a grave responsibility which they are assuming. things go wrong, then those who make the decision should also be ready to accept the consequences.

Mr. FERGUSON. The Senator has mentioned the majority party and the minority party. Surely there is no question of partisanship in the defense of America.

Mr. DOUGLAS. I want to point out that this defense budget and this great cut in the Armed Forces, was submitted by the majority party. They cannot deny their responsibility, I pray that they may be proved right, but if it turns out that they are wrong it will be a tragic day for the American people.

Mr. FERGUSON. The administration has submitted the defense budget and the House of Representatives has passed this bill. It is now before the Senate. Whatever is done in the Senate will be done by the representatives of the American people. They will be responsible for their decision and the exercise of their judgment. That does not mean that men should not be willing to express their opinion and exercise their judgment. We cannot act by fear and say, "Oh, let us appropriate billions of dollars more so that nobody can blame us in case worse becomes worst and war ensues." That is not the way to exercise sound judgment on questions before Congress. It is necessary to use sound commonsense. We will accept the responsibility for what we do. That is the way I feel about it.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield. Mr. HUMPHREY. I desire to say to the Senator from Michigan that I see merit in his argument with reference to the training of native troops, a subject which has been discussed again and again. I think it would be wrong however, to have the RECORD read as if the reduction in the divisional strength of the Army, which is contemplated for 1955, was permissible or desirable because of the fact that we might withdraw troops from Japan by 1955. Everything I have heard to date indicates that while it may be very desirable at some time in the future to withdraw American manpower from the Japanese mainland, there is a constitutional limitation in the Japanese constitution which will have to be changed before Japan can rearm itself.

Mr. FERGUSON. That is right, except that the Japanese have methods of rearming themselves. They are doing it now in the form of a police force, and they should do it. It is an internal question as well as an external question. I believe a police force is essential for a country whether enemy troops are landing from the outside or people are giving

trouble from the inside.

Mr. HUMPHREY. I agree. Mr. FERGUSON. There is no reason why they should not realize they should help.

Mr. HUMPHREY. I agree. However, wish the Senator would listen to me for a moment.

Mr. FERGUSON. I certainly shall. Mr. HUMPHREY. Both the senior Senator from Michigan and the junior Senator from Minnesota heard testimony within the month which indicates that within the realm of proper security precautions it is not possible for the American Government to withdraw any substantial number of troops from Japan between now and 1955. Is that not correct.

Mr. FERGUSON. I cannot comment on testimony given in executive session.

Mr. HUMPHREY. Is it not correct, at least from the Senator's own view, based on what he heard in any session he has attended?

Mr. FERGUSON. No; I would not say

Mr. HUMPHREY. The Senator would not say so?

Mr. FERGUSON. No. Mr. HUMPHREY. The Senator will not say so, from the testimony we both heard?

Mr. FERGUSON. We disagree. Mr. HUMPHREY. We disagree only because apparently we heard the same words, but we evaluate them differently.

Mr. FERGUSON. That is correct. Men have a right to disagree.

Mr. HUMPHREY. I should like to ask another question of the Senator from Michigan. A short time ago I heard him point out, I think somewhat justly so, as General Van Fleet has soundly stated. that we should train native troops.

Mr. FERGUSON. That is correct. Mr. HUMPHREY. That can be done

provided there is political stability in the country where the training of the troops takes place; otherwise the troops will be finely trained troops that will be turned against us.

Mr. FERGUSON. Let me say that the way to get political stability is to have people realize that it is their army-

Mr. HUMPHREY. That helps. Mr. FERGUSON. That they are

fighting for their freedom-

Mr. HUMPHREY. That helps. Mr. FERGUSON. And for their rightful liberties and their independence. I am not one of those who believe in the policy in which some colonial powers used to believe. They believed that it was undesirable to build up a native army in a colony, because if that were done the troops would turn against the colonial power. Why would they not do so? They wanted their freedom. Therefore, if we are to train native troops, the people must be sold on the idea that what they will fight for some day is their freedom, their independence. and their liberty, and that they will fight for a principle, not for hire.

Mr. HUMPHREY. That is just another way of saying, is it not, that what we need is a political program along

with the military program?

Mr. FERGUSON. There is no question about it.

Mr. HUMPHREY. I wish to suggest that while we can train troops—and we have done so in other instances—we must remember we almost had a situation in which American-trained Italian troops were ready to fight against Yugoslavia over the Trieste issue.

I should like to ask the Senator another question. He assumes that our strength is basically to be found in our scientific and technological know-how and in our present availability of atomic and hydrogen weapons, with the air power to deliver them. Is that correct? Mr. FERGUSON. I would not say

that was our total strength. I would modify it by saying that I feel the greater part of our strength lies in the souls of Americans who are devoted to freedom.

Mr. HUMPHREY. I agree with that statement.

Mr. FERGUSON. Therefore, we can take care of ourselves.

Mr. HUMPHREY. As we get closer to the 4th of July we will say that again and again, and it is true.

Mr. FERGUSON. I do not say it because we are getting closer to the 4th of July.

Mr. HUMPHREY. I am not being cynical. The fact is that we must face the realities of power. I ask the Senator from Michigan this question: Does he have any information that leads him to believe that the Soviet Union has less air power than we have, or has less ability to deliver the hydrogen bomb than we have?

Mr. FERGUSON. Yes.

Mr. HUMPHREY. I should like to hear it.

Mr. FERGUSON. I am not going to tell the Senator.

Mr. HUMPHREY. Does the Senator from Michigan have any information to the effect that the Soviet Union does not have long-range intercontinental bombers?

Mr. FERGUSON. They do not have the capacity that America has.

Mr. HUMPHREY. Does the Senator believe that the Soviet Union will not have the capacity to deliver strong lethal weapons, such as atomic and hydrogen bombs, to America's shores?

Mr. FERGUSON. When? Mr. HUMPHREY. This year, next year, now, as of this hour.

Mr. FERGUSON. I doubt it very much, now; and I know Russia has not the strength which America has.

Mr. HUMPHREY. Did not Admiral Radford say in the House hearings that the military power which Russia possesses and the Soviet Union's capabilities are not changing to our advantage? I gather from all I have heard in recent days, including the remarks of General Twining and Admiral Carney, since Admiral Carney said we are losing control on the seas, that the Soviet Union is overtaking us with her submarine fleet?

Mr. FERGUSON. Does the Senator really believe that to be a fact.

Mr. HUMPHREY. Why did the admiral say it, if it is not a fact?

Mr. FERGUSON. Does the Senator from Minnesota believe that the naval power of Russia is stronger than that of America?

Mr. HUMPHREY. I hope not, but the admiral pointed out very definitely that we are in a very serious situation. Does the Senator have any facts on the basis of which he believes we have caught up with Soviet airpower?

Mr. FERGUSON. I have reason to believe we are away out in front, so far as actual airpower is concerned.

Mr. HUMPHREY. Ahead of the Soviet Union?

Mr. FERGUSON. Yes.

Mr. HUMPHREY. How can these views of the Senator from Michigan on the one hand be reconciled with the views of our Air Force on the other hand?

Mr. FERGUSON. I do not know. I am going to read some facts about our Air Force. What did Admiral Radford say about our Air Force? What did General Twining say about it? It is the best in the world.

Mr. HUMPHREY. I do not think we should "kid" ourselves. We are talking about a most serious subject, one which is much more serious than are taxes or anything else.

Mr. FERGUSON. All I am trying to do is to give the facts as I know them to be. There have been several questions which I felt I could not answer from the record. I could not, because of certain circumstances, cite the authority.

Mr. HUMPHREY. Is the Senate, then, to believe that at the present time the United States of America finds itself in a favorable military position as compared with that of the Soviet Union?

Mr. FERGUSON. Oh, yes.

Mr. HUMPHREY. That we have superior forces?

Mr. FERGUSON. Yes.

HUMPHREY. Superior land forces?

Mr. FERGUSON. Oh, no.

Mr. HUMPHREY. Superior air force?
Mr. FERGUSON.
Mr. HUMPHREY. In numbers?
Mr. FERGUSON.
No.

Mr. HUMPHREY. In quality? Mr. FERGUSON. Yes. In quality we are away out in front.

Will the Senator Mr. HUMPHREY. present evidence to that effect in the course of his remarks?

Mr. FERGUSON. No; I cannot do

that.

Mr. HUMPHREY. Where did the Senator get this evidence?

Mr. FERGUSON. I cited General

Twining and Admiral Radford.

Mr. HUMPHREY. The Senator has sat in committee meetings, as have some of the others of us, and I think it is time we found out where we stand. In executive sessions in Senate committees we are told we are running behind. In executive sessions, behind closed doors, we are given facts and figures to show what our difficulties are, and now we come before the press and the public and say we are ahead. I think we should know whether we are ahead or behind. I think we should know whether we have a superior Air Force or an inferior Air Force.

Mr. FERGUSON. I cited both Admiral Radford and General Twining. did not give my own opinion about it.

Mr. HUMPHREY. Is the Senator satisfied that there has been no conflicting testimony from the chief of our military, as to the superiority of the American air power? Does the Senator really believe there are enough facts to reveal that we have a superior Air Force?

Mr. FERGUSON. Yes; I believe so. Mr. HUMPHREY. I want that assurance by more than a nod of the head or the word "yes."

Mr. FERGUSON. I can give only the testimony of the two officers I have

quoted.

Mr. HUMPHREY. We are now in a situation where we can proclaim to the world that the United States is superior in Air Force, planes, equipment, and so forth. Is that the Senator's opinion?

Mr. FERGUSON. Yes. Mr. HUMPHREY. That is not the opinion of the junior Senator from Minnesota, and I want the RECORD so to reveal.

Mr. KENNEDY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.

Mr. KENNEDY. In reading the various statements of witnesses before the committee, I notice that Admiral Radford, on March 16, talking about the predicament facing us, said this:

Since it is impossible to forecast precisely the year and the amount of maximum military danger, part of the answer was to provide a sturdy military posture which could be maintained indefinitely over an extended period of cold war.

I think, therefore, that the cut this year and last year was based on the assumption that there was no near point of maximum military danger, but that in view of the economy of the country we had to maintain our military strength for the long haul. Is that correct?

Mr. FERGUSON. Yes. Mr. KENNEDY. Is it not a fact that since those assumptions were made there has been a radical change in the world situation, in fact a deterioration?

Mr. FERGUSON. I do not say that is true. I think there is a worse situation in Indochina, but that the rest of the picture is favorable to America. I think it outweighs the present situation in Indochina.

Mr. KENNEDY. Then the Senator would state that, in his opinion, the situation has not deteriorated?

Mr. FERGUSON. That is my judgment today, as an overall judgment. I

can see both sides of it.

Mr. KENNEDY. This budget is based upon the assumption that the world situation has not deteriorated since the months in which these figures were first agreed upon?

Mr. FERGUSON. Oh, no. I am presenting what the military authorities presented to us. Some persons may say that because we have met with some difficulty in the case of Great Britain and France, the present French Government has fallen, and Great Britain has hesitated about what it would do in the Far East, we are not in so good a position as that in which we previously were. I said I believe the situation has not deteriorated. We did not ask Great Britain

openly and get the answer.

Mr. KENNEDY. Did we not know it? Mr. FERGUSON. I think the reason why the President of the United States did not ask Great Britain as to what she would do in Korea was because he was fearful of what she would offer to do.

Mr. HUMPHREY. She did something,

did she not?

Mr. FERGUSON. What?

Mr. HUMPHREY. Well, they were there.

Mr. FERGUSON. Oh, yes; they were there.

Mr. KENNEDY. In February, Mr. Wilson said he had no reason to think that Indochina would be another Korea, that victory was both possible and probable. Since that time we have had the advantage of hindsight, and we have realized that our assumptions were incorrect. Yet, the same military budget is presented to us with no change.

Mr. FERGUSON. Unless America has decided to send troops and go to war in Indochina there is at least 1 billion 2 hundred million of dollars to furnish equipment and materiel, and 41/2 billion dollars of procurement and production funds which can be used by the Army. The committee did not interfere with

those funds in any way. Mr. KENNEDY. How much would we have to put back into the budget to keep

the Army at 19 divisions?

Mr. FERGUSON. I think it would have to be approximately a billion dollars. I have some figures before me now. It will cost \$150 million for military personnel, \$200 million for maintenance

and operation, for which we now have \$41/2 billion in the budget. It would cause us to draft 10,000 men a month for the last 10 months of the year.

Mr. KENNEDY. I merely wanted to get the figures in dollars and cents.

Mr. FERGUSON. That is what it would be.

Mr. KENNEDY. One hundred and fifty million dollars for military personnel, and \$200 million for maintenance and operations. In other words, as far as the budget is concerned, it would cost only \$350 million to maintain an army of 19 divisions, instead of cutting it to 17

Mr. FERGUSON. That is according to the last figures I have received from the Pentagon. But that is not the point. The Senator is missing the point. If it is sought to solve the problem by money, I do not think it can be solved by money. I think the problem must be solved according to a plan. If we say on the Senate floor that the President of the United States is wrong and that we intend to force on him these men, we are going to say that he must keep them in the Army; we are going to say that he must draft 10,000 men a month additional for the next 10 months. That is a different proposition. Then we are placing our ability to determine what is essential to security over and above the ability to do so of those who, in my opinion and my judgment, have the real responsibility.

That does not mean that the committee has not questioned these figures. If the Senator will look at the 900 pages of the hearings he will find that the committee has been critical of many subjects, and we intend to continue to be

critical.

divisions.

I wish to pay tribute to every member of the Committee on Appropriations. In my opinion, the entire committee has done a good job. So far as I could learn, they were satisfied with the bill when they reported it to the Senate.

Mr. LEHMAN. Mr. President, will the

Senator yield?

Mr. FERGUSON. I yield.

Mr. LEHMAN. During the course of the debate there was read a colloquy between the Senator from South Carolina [Mr. Maybank], General Ridgway, and the Senator from Michigan [Mr. Fergusonl. General Ridgway, in reply to a question asked by the Senator from South Carolina [Mr. MAYBANK], said:

General RIDGWAY. I would like, if I may, Mr. Chairman, to make a little bit better answer to Senator MAYBANK's question. It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts that decision as a sound one, and he does his utmost within his available means to carry it out.

Later, the following colloquy took place:

Senator MAYBANK. I did not ask you if you accept it. I can understand that as a distinguished military man you are, as you said in prefacing your remarks, a career officer will accept orders from above and you accept them, you accept the amount of money and the reduction of the Army. But you do not recommend that?

General RIDGWAY. The time for recommendation is past, sir.

Senator MAYBANK. I understood that, but did you recommend it to the Joint Chiefs of Staff?

General Ringway, I believe, Mr. Chairman, that I would like to submit to you the pro-priety of answering these particular questions in executive session.

Senator MAYBANK. You do not have to submit it to the chairman. Frankly I am looking for information. If you do not want to answer it, that would be all right with me, because it might be embarrassing.
General Ridgway. I can answer in execu-

tive session.

Senator Ferguson. You ask to have it in executive session, and we will have it, but you leave your previous answer that it was a sound decision.

General RIDGWAY. What I said is that I accept this 1955 budget program as a sound decision, and I have no doubt of the Army being able to solve the problems which that program entails.

Senator Ferguson. Any detailed explana-tions that you may wish to make you may have the opportunity in executive session to

May I ask the distinguished chairman of the subcommittee whether, following that colloquy, an executive session was held?

Mr. FERGUSON. Many executive sessions were held, but General Ridgway never asked to make an explanation, nor did the Senator from South Carolina ask him to make one.

Mr. LEHMAN. Mr. President, will the

Senator further yield?

Mr. FERGUSON. I yield. Mr. LEHMAN. I listened with great interest to the colloquy betwen the junior Senator from Minnesota [Mr. Hum-PHREY] and the Senator from Michigan, in which, in response to an inquiry by the Senator from Minnesota as to the parity between the United States Air Force and the Soviet Union Air Force, quantitatively and qualitatively, I believe the Senator from Michigan said that the United States Air Force was not inferior to the Soviet Air Force.

I wish to associate myself with the distinguished Senator from Minnesota in saving that the reply by the Senator from Michigan came as a great surprise to me and was distinctly contrary to information I have received from responsible, authoritative sources, to the effect that the United States started far behind the Soviet Union in the preparation of our Air Force. The Soviet Union got a great jump on us, which permitted them to build up an unusual degree of superiority.

My understanding is that since that time, while the United States has not lost ground, we have not been able to make up any ground, because the production of the Soviet Union has been at

least as great as ours.

So I wish to say that the statement by the Senator from Michigan has come as a great surprise to me. I agree that the majority party, in submitting this defense budget, and in reducing it beyond what I believe to be a level of safety, is assuming a very great responsibility to the country.

Mr. KUCHEL. Mr. President, will the

Senator yield?

Mr. FERGUSON. I yield to the Senator from California.

·Mr. KUCHEL. First, as a new Member, I desire to say that I have followed the explanation by the Senator from Michigan this afternoon with much interest. I wish to add my poor commendation to that which he has received from other Members of the Senate.

Harking back to what took place an hour or so ago in the exchange between the Senator from Michigan and the senior Senator from Virginia [Mr. Byrd], is it not correct that approximately \$45 billion remain to the Defense Department as an accumulation of prior unexpended balances from prior appropriations, which will be consolidated with the money provided in the bill now being debated, namely, \$30 billion, which will permit the Government of the United States from the 1st day of July of this year forward, to have at its disposal \$75 billion?

Mr. FERGUSON. Yes, that is cor-

Mr. KUCHEL. May I ask again, for the RECORD, what has been the amount of money expended by the Defense Department during the present fiscal year?

Mr. FERGUSON. Forty billion dol-

Mr. KUCHEL. So there will be substantially more available during the coming fiscal year than was actually expended during the last fiscal year?

Mr. FERGUSON. Yes; and there is always the opportunity for the Defense Department to ask for deficiency appropriations, in case of grave emergencies or real needs. There is \$14,500,000,000 unobligated.

Mr. KUCHEL. Fourteen and one-half billion dollars left over, completely unobligated on the books of account?

Mr. FERGUSON. That is correct; money which could be used.

Mr. KUCHEL. I wish to make a very brief statement. I do not believe any Member of the Senate or the House of Representatives would for one moment refuse to appropriate that which the country needs for its defense and protection. As one, however, who makes no claim to being a military expert, I wish to say that I am proud, as a Member of the Senate, to follow the leadership and the recommendations of the President of the United States. By their reputation, the men with whom the President has surrounded himself, who comprise the Joint Chiefs of Staff, certainly are men of tremendous professional military ex-

I remember several months ago when the Chief of Naval Operations, Admiral Carney, made a speech in Newport, R. I. Almost gleefully it was suggested on the floor of the Senate that the speech which Admiral Carney made indicated that there were cleavages in the Joint Chiefs of Staff, and that the Chief of Naval Operations was at odds and at variance with his counterparts in the other segments of the Joint Chiefs of Staff.

The next day Admiral Carney wrote a letter to the senior Senator from Massachusetts [Mr. Saltonstall], in which he said that there was complete unanimity of thinking among the members of the Joint Chiefs of Staff, and that his com-

ments on the preceding day had had the complete clearance and approval of the Department of Defense, in accordance with their custom.

So, at a time when some persons are endeavoring to frighten the country, I think we can still put our faith in the recommendations of the President regarding the matter. Certainly I intend to vote for the bill which has been reported by the committee, and which the Senator from Michigan, in his capacity as chairman of the subcommittee, is explaining.

Mr. HUMPHREY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield to the Senator from Minnesota.

Mr. HUMPHREY. Of course, we must put our faith in the President, the Joint Chiefs of Staff, and our military officials. We have to put our faith in those duly constituted officials, in the Appropriations Committee, and in the Armed Services Committee. That is why we have committees of the Senate. But I suggest it is not unwise at least to interrogate and to discuss the problem.

Mr. FERGUSON. I have not indicated that I think it is unwise. I welcome questions.

Mr. HUMPHREY. I merely want the RECORD to be clear that merely because a Senator makes interrogations or discusses a given matter it does not mean he is opposition. It may mean that he is seeking more enlightenment.

I wish to make a further comment. This is not the first time in the history of Congress that members of a Senate Committee have brought before them members of the Chiefs of Staff, that is, the Chief of Staff of the Army, Chief of Naval Operations, or the Air Force Chief of Staff. I can recall that 2 or 3 years ago when we were fighting a war, generals were haled back from far distant parts of the world in order that they might testify before a committee. I can recall when a great general like General Bradley had members of his own staff called in by the committee in order that it could be ascertained whether or not General Bradley was telling the truth.

I want the RECORD to be quite clear that the present chairman of the Joint Chiefs of Staff is being treated kindly, as are the individual Chiefs of Staff. If one were to compare their present treatment with treatment accorded in the past, the present Chief is being treated as though with the kindliness of a compassionate good samaritan.

It is not unwise to doublecheck. We had information that Dien Bien Phu was a rather impregnable fortress. We had information from responsible officials of the United States Government that the Communists were not going to launch an attack until sometime in the fall. We had information that the Navarre plan was acceptable and was expected to be successful in Indochina. All of those expectations went down the drain. Communists did attack. Dien Bien Phu did fall. The Navarre plan has been scrapped. A new general is in command in Indochina.

I think the Senator from Massachusetts [Mr. Kennedy] made a very good point when he asked whether the calculations in the budget were based upon, and took into consideration, such plans, for example, as the Navarre plan. Of course, they did, because the Navarre plan was a going military and tactical operation until last month. It is no

I think there are other factors which must be taken into consideration. I agree with the distinguished Senator from Michigan that the political and military factors are highly significant and interrelated. For example, we have been depending upon France and the European defense community, which may never become a reality. In the meantime, every bit of information which we receive from Europe tells us a very sad story; namely, that the spirit of neutralism is growing in Western Germany.

I call the attention of the Senate this afternoon to the fact that Dr. Bruening, former Chancellor of the Reich, in a speech at Duesseldorf, Germany, within the past month, literally indicated a different pattern. If his leadership is substituted for the leadership of Dr. Adenauer, if his views become official Germany policy, there will not only not be western troops in the western alliance, but Germany will be a neutral nation.

All those facts must be taken into consideration. That is the only reason why the Senator from Minnesota asked the questions of the Senator from Michigan. I have a question in my mind, principally with regard to the Air Force appropriation, as to whether it is adequate. I am not so much concerned about the appropriations for ground forces. I think the Senator from Michigan has made a good point in that regard. I am interested in the area of research, the nuclear program, and the guided-missile program. I think those programs should be strongly emphasized as a part of the defense picture.

Mr. FERGUSON. They are. Mr. HUMPHREY. I wonder if the Senator from Michigan is going to report on those matters a little later.

Mr. FERGUSON. Yes. Mr. HUMPHREY. I wish to emphasize that the world situation is changing day by day. It does not do any good to talk about mass retaliation. It does not do any good to talk about something going to happen which is not going to happen. We have had our bluff called 2 or 3 times in the last month. We have been defeated at Geneva. We are literally standing today in the most weakened position in which we have ever stood internationally. I think we had better face up to that fact.

Mr. FERGUSON. I cannot agree with the statement of the Senator from Minnesota.

Mr. HUMPHREY. I should like to ask the Senator from Michigan just where we are winning. Where do we have the initiative except in cutting the budget? Are we winning in Indochina? Are we winning in West Germany? Are

we winning in Italy? Are we winning in France? Did we win at Geneva?

Mr. FERGUSON. I think we are not any weaker than we were. The record is clear on that. We have learned much. I do not believe we are any weaker; in fact, I believe we are stronger, since we have made our position clear, through General Gruenther, who made a speech in London which Pravda did not like because he expressed himself in no uncertain terms.

If we are going to discount the strength of America, if we are going to be fearful, we may mislead the Communist world and cause a war. It was a great surprise to me personally to have it said that in the political actions our Government took in Korea, we were misleading Communist Russia as to America's capacity and determination to fight, for instance, for freedom and liberty. I have always been fearful of Russia's being misled. Therefore, I welcomed the truce, and even though the truce has not been settled yet, at least we have demonstrated that if hostilities are again started, the political decisions will be canceled.

Great strides have been taken toward indicating our Nation's place in the world by our demonstrating that America is strong and will continue to be strong. A few days ago the President used the expression that the problem would be be with us for 40 years. Yes, we can see that far ahead, but we have to be prepared for such a threat, however long it may last.

Mr. HUMPHREY. Mr. President, will the Senator yield further?

Mr. FERGUSON. I yield. Mr. HUMPHREY. I recognize the position taken by the President when he stated the other day that we must be prepared for a long pull. The problem is not new. We have been talking in this manner since 1949. We believed then it would be a long ordeal, one which might last beyond the lifetime of any Member of this body.

I merely wish to say now that there is not in existence an effective policy. even by way of military preparations alone, and that the military budget is tied in with the basic State or diplomatic policy, which may have more to do with our military effectiveness than the dollars or guns involved.

The first great mistake was made last year, in April 1953, when our officials went to the NATO conference and stated to the western European powers that the objectives could be stretched out over a few more years, and for them to take it easy. I think it is now evident that when we wish to sit down at a bargaining table with Soviet Russia or any of its satellites we have to be in a position of strength. I believe we went to Geneva without being in a position of strength. Our representatives went to Geneva after the budget had been cut and there had been put into effect a reduction in the Air Forces, when we were in Geneva with our allies, and we came home defeated. We have not come home with a victory of any kind, except a promise of a visit by Churchill and Eden. I welcome their visit. I think their visit will be beneficial. But let us quit kidding ourselves: we are not in a position of strength.

In his testimony, General Ridgway

The strength of the major components of the Soviet bloc military power continues to increase unaccompanied by an offsetting increase in allied strength.

Mr. President, we will never be able to bargain with the Soviet Union under those conditions. The Soviet Union knows but one factor in world politics. and that is strength and power. They have made us look sick at Geneva. The Chinese Communists, as well as the Soviet Communists, have gained a great victory there. Whenever we plan a budget for military needs, we must face up to what the realities of the world situation are, and should take into consideration what General Ridgway has stated, namely, that-

The strength of the major components of the Soviet bloc military power continues to increase unaccompanied by an offsetting increase in allied strength.

I do not say the United States must carry the load all by itself. That is why I said this military budget is tied in with security and with diplomatic policy. The truth is that our policy is beginning to disintegrate, and no one quite knows what our policy in the Far East is. The truth is that we do not know how we are to build for our allies the weapons which are called for in many of these budgets, including the mutual security budget.

Mr. FERGUSON. Mr. President, I cannot understand how the Senator from Minnesota can say no one knows what our policy in the Far East is.

Mr. HUMPHREY. Well, what is it? Mr. FERGUSON. Recently the Secretary of State, when speaking at Los Angeles, laid down the principles of our policy in the Far East. That is definite and certain. We are working on a policy of having the principles of NATO apply in the Far East.

Mr. President, I am sure that the boys who operate our planes, our tanks, and our guns believe they have more strength than some persons on the floor of the Senate believe our boys have. If they do not, our troops will never win any battles, because faith in the capacity of the United States makes our men believe they have the power to cope with the present situation.

Mr. HUMPHREY. Mr. President, will the Senator from Michigan yield further to me?

The PRESIDING OFFICER (Mr. BEN-NETT in the chair). Does the Senator from Michigan yield further to the Senator from Minnesota?

Mr. FERGUSON. I yield.

Mr. HUMPHREY. I wish to make it quite clear that if we are talking about spiritual strength or ultimate strength or emotional or mental strength or strength of soul, I would certainly say we have an unlimited quantity of it. No one would wish to deny for a moment the spiritual, moral, and patriotic devotion which motivates the thousands and thousands of men who serve this country.

However, the worst thing it is possible to do to a man is to deny to him every weapon of defense he could possibly have. In that connection let me point out that the budget we are now considering is not only for this year. The truth is that these military budgets are projected 2 or 3 years in advance. Much of the money previously appropriated but unexpended is now being spent. The rate of defense expenditures has constantly increased since 1950; it was greater in 1952 than in 1951, and it was greater in 1953 than it was in 1952, even though Congress made vast appropria-

tions in 1950, 1951, 1952, and 1953.

Mr. FERGUSON. But the unobligated funds do not apply to this case.

Mr. HUMPHREY. Of course, I recog-

nize that there are unobligated funds.

My point is that in connection with aircraft, nuclear weapons, guided missiles, and certain necessary repair parts, it is necessary to contract for them on

the basis of the long pull.

I am not saying that the Senator from Michigan is not making a good presentation of the budget, but I say we are assuming that things are somewhat better than they are. The Senator from Michigan seems to assume that we have the initiative and that we are capable of massive retaliation. We are; but we can also be retaliated against. If that is not the case, what is behind all the talk about the lack of continental defenses?

I say we are working on two different policies. One is based on statements to the effect that we need more airpower if we are to defend ourselves. We hear statements to the effect that only 10 out of 100 planes that might attack the United States could be stopped. We hear it said, at times, that the Soviet Air Force is stronger than our own Air Force. The Senator from Michigan says that is not so. We hear it said that the Soviet bloc is stronger than the allied bloc, although apparently the Senator from Michigan feels that is not so. I say that we cannot base a policy upon such conflicting views and conflicting evidence. If the Senator from Michigan makes such statements, he has the responsibility of pointing out categorically what he means.

Mr. FERGUSON. I have pointed it out. At this time I should like to proceed with my general remarks. I wish to answer several of the questions that I allowed to go by, when I permitted other questions to be asked.

In referring to the Air Force, let me say that sometimes it is said that the United States taxpayers have lost 2 years in time and over \$1 billion in wasted money because last year we cut the budget by \$5 billion. I do not know how we lost that money, if we cut the budget by \$5 billion. At this point let me give the answer we received from the Penta-

Since it was clearly demonstrated last spring that the Air Force program was serlously lagging and out of balance, and the build-up to 143 wings could not be accomplished on the time schedules mentioned, the falls of its own weight. By concentrating on realistic accomplishments, this administration has materially accelerated the

build-up of real air strength. The record readily demonstrates the different between illusionary goals and promises of the past and the realistic accomplishments of

In this connection, let me read another statement:

This administration has consistently emphasized the importance of airpower and has made the development and maintenance of airpower a primary objective. We must not be mislead into thinking that the effort to reduce the overfunding of the Air Force last year by the elimination of \$5 billion of unnecessary funds means that any cut was made in effective airpower. On the contrary, the realinement of the Air Force program that was undertaken last year has resulted in substantial increase in the actual strength of the Air Force.

That statement comes from the Pen-

Mr. President, those are the answers to those who are criticizing the cut. In reply, I give the authority of those who know.

On January 21, 1954, in speaking about the budget and our plans, Secretary Wil-

Our planning now places great reliance upon our allies and upon the collective se-curity measures that are afforded by our agreements with them.

Mr. President, I referred to that at the beginning of my remarks, and I believe it should be stressed again; namely, that we should treat them as allies and as partners in collective defense. In that way I believe we shall get results similar to the ones we obtained in Turkey, and as I feel sure we shall get in Pakistan, if we treat these nations as real allies.

I read further from the statement by Secretary Wilson:

Our relations with our allies are steadily improving and our collective forces becoming more effective.

Of course, Mr. President, let me say that occasionally some difficulties develop, but I feel sure they can be worked out, because our common cause is the cause of great people and great souls.

As I just stated, Secretary Wilson said

Our relations with our allies are steadily improving and our collective forces becoming more effective.

Then he said:

As this occurs we can place more reliability upon deterrent power and less reliance upon local defensive forces. It is only by such measures that we can have maximum protection at a bearable cost in both men and money.

Mr. President, at this time let me read from a statement by Admiral Radford, one of our great military men. I read now from an interview by him with the U. S. News & World Report, on March 5, 1954:

Question. Do you mean that, as the importance of airpower and new weapons increases, the importance of ground and naval forces decreases?

Answer. No, I do not. Actually, "importance" may not be a good word. Each of our armed services is essential. Each has vital roles to perform. By no means are we divesting ourselves of our capabilities other essential arms and forces. Actually, we aim to build up the effectiveness of the

Army, Navy, and Marine forces with better equipment, new weapons, and a better planning of Reserve components. It is more a matter of relative emphasis during this period of programing over an extended period of uneasy peace.

Admiral Radford testified before the House committee on this question, as follows:

Over the next 3 years our plans call for a gradual reduction in manpower. In planning this reduction of manpower in our Armed Forces, our specific interest is in an orderly program based over a period of years. We want to reduce overhead. We consider it imperative to improve our ratios of combat manpower to total manpower. We want a very good realistic reserve program for all services. We want to make more effective use of the manpower in uniform. To accomplish these ends we are improving greatly our combat effectiveness by the application of new weapons and new techniques, and hope to ultimately achieve far greater flexibility than heretofore attainable.

These members of the various services have clearly indicated how they feel on these important questions. Today I am but reciting evidence. When I am asked for my personal opinion, I base it upon evidence, and not upon emotion.

Most of the increase over the House version of the bill is for the Department of the Air Force-\$142 million additional for maintenance and operation, and \$21,-550,000 for research and development. An increase of \$13,284,000 over the House version of the bill is recommended for the Navy, mostly for the operation of aircraft, and \$500,000 for the Office of Secretary of Defense. That is for better management, and I am sure it will pay big dividends. No increase over the amount provided by the House is recommended for the Department of the Army.

The recommended restoration of \$21,-550,000 for Air Force research and development, which was deleted in the House version of the bill, is in recognition by the committee of the dependence of future airpower on research and development done today.

The House established a new appropriation called research and development and the Senate Appropriations Committee approves of this action. The appropriation will now carry the various research and development funds which were formerly under different annual appropriations of the Navy and Marine Corps. We have recommended language which will allow the transfer of the unexpended balances of the research and development appropriations for the fiscal years 1953 and 1954 to this new appropriation. This will simplify accounting procedures as well as provide the same treatment for the Navy as was given to the Army and Air Force when similar appropriations were established in fiscal year 1952. This will insure that the Navy and Marine Corps can carry on the 1955 research and development program as submitted to the Congress.

We are restoring the reduction in the appropriation for research and development, because we believe in it. not wish to make the cut which the House had made, of \$21,550,000.

Furthermore, the committee recommends the continued availability of funds which were appropriated for the fiscal year 1954 to provide the Department of Defense with the means for acquisition and maintenance of machine tools, which are urgently needed to be on hand in the industrial mobilization base

It will be noted that reductions have been made in certain items by the House which were not restored by the Senate committee. These reductions were only retained after the most careful assurances from Department of Defense officials that the reductions can be absorbed without injury to the defense effort. In some instances the Senate restored the cuts made. This was due to the fact that the Department gave proof that the funds were necessary to a fully coordinated defense effort. several instances by providing flexibility in funds available within an appropriation, the Senate was able to avoid restoring funds and at the same time accomplish the objectives desired by the Department.

Thus where reductions from the estimates were sustained by the Senate committee, it means that Defense officials have testified that they can be absorbed, and the committee is satisfied that this is so.

On the basis of the testimony presented to the committee each of the military services has been allowed sufficient funds with which to carry out the programs planned for fiscal year 1955, and the military services have so stated.

In summary, the fund availability picture in fiscal 1955 for the military functions of the Department of Defense is as follows:

The bill before us will provide \$28.8 billion of new money; the military public works bill now being considered by the committees will provide an additional \$1.1 billion of new money. In addition, there will be approximately \$14.5 billion of unobligated fiscal 1954 and prior years appropriations carrying over to fiscal 1955 and available for obligations. will make total funds of \$44.4 billion available for obligations in fiscal 1955 and after. Of these amounts \$13.4 billion will be available for Army programs; almost \$11.9 billion for Navy program; and \$18.3 billion will be available for the continued expansion of the Air Force.

According to the best estimates of those who know most about our defense needs, this bill presents in their judgment the greatest protection possible within the limits of a balanced economy, with proper acknowledgment of the international situation as it exists today.

It is based primarily on three principles:

First. The imperative need for an adequate defense:

Second. The necessity of gearing our military expansion to the philosophy of the long-haul, erecting a steadily increasing military strength based on sound fiscal policy in which a broad production base has been substituted for an accumulation of material which would fast become obsolete:

Third. A constant recognition that should war come, the might of our Armed Forces must be focused on the source of the conflagration and not upon surrounding brush fires.

Our national honor, our national pride, our continued national existence are all wrapped up in this measure now awaiting Senate approval. I submit it for the most serious consideration of the Senate.

Mr. President, I wish to thank the committee, which worked diligently with me on the bill. It is not an easy bill. It is a difficult one, involving enormous sums of money. I wish also to thank Gordon A. Nease, John J. Gaines, and Stanley Sommer, and the others on the Appropriations Committee staff, and Jerry Kenney, and Tom Graves of my staff. They have spent long and hard hours helping the committee. They sit here today and are able to find things readily for me to answer questions. I appreciate their services, and I know the committee does also.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. ELLENDER. The Senator from Michigan will recall that during the discussion of the bill before the full committee the question came up as to whether there were included in the bill any funds to provide for the enlargement of permanent camps to take care of the troops who were moved from Camp Polk, I.a., and Camp Pickett, Va. Will the Senator tell us whether there are any funds whatever in the bill for use in the expansion of any of our permanent camps, so as to take care of the troops who have been moved from temporary camps to permanent camps?

Mr. FERGUSON. There is no money whatever in the bill for that purpose.

Mr. MAYBANK. Mr. President, I send to the desk an amendment and ask that it be read.

The PRESIDING OFFICER. Without objection, the clerk will read the amendment for the information of the Senate.

The LEGISLATIVE CLERK. On page 51 it is proposed to strike out lines 1 to 3, inclusive, and insert the following:

That none of the funds appropriated by this act shall be available for expenditure under any contract hereafter made, for the purpose of preventing or correcting economic dislocations, without compliance with the provisions of law requiring advertising.

Mr. MAYBANK. Mr. President, the distinguished Senator from Delaware [Mr. WILLIAMS] has a similar amendment, which he submitted earlier in the day to have printed and lie on the table. I told the Senator from Delaware that naturally his amendment would be acted upon first. There is a slight difference in wording as between the two amendments. There is some question as to whether or not his amendment would be subject to a point of order. If it is not subject to a point of order, and is acted upon, I do not intend to offer my amendment. I make that clear for the RECORD in order that the Senator from Delaware may clearly understand what I am doing.

The PRESIDING OFFICER. The amendment offered by the Senator from

South Carolina will be printed and will lie on the table.

Mr. FERGUSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Aiken George Gillette Anderson McCarran Barrett Gore McCarthy Green Beall McClellan Bennett Hayden Millikin Bowring Hendrickson Monroney Morse Mundt Bridges Hickenlooper Murray Holland Neely Pastore Bush Humphrey Butler, Md. Payne Potter Butler, Nebr. Hunt Byrd Ives Capehart Case Jackson Purtell Robertson Jenner Russell Schoeppel Smith, Maine Smith, N. J. Clements Johnson, Colo. Johnson, Tex. Cooper Johnston, S. C. Kennedy Cordon Daniel Kerr Kilgore Sparkman Dirksen Douglas Stennis Duff Dworshak Symington Kuchel Thye Eastland Lehman Upton Ellender Lennon Watkins Long Magnuson Malone Mansfield Welker Wiley Williams Ervin Ferguson Flanders Frear Fulbright Young Martin

The PRESIDING OFFICER. A quorum is present.

Mr. BYRD. Mr. President, I offer a series of amendments, which I ask to have read.

Mr. MAYBANK. Mr. President, it was understood by the Senator from Michigan that when I yielded for a quorum call, I did so without losing the floor.

Mr. BYRD. Mr. President, will the Senator from South Carolina yield to me?

Mr. MAYBANK. I am glad to yield. Mr. BYRD. I offer a series of amendments, which I ask to have read.

The PRESIDING OFFICER. The clerk will state the amendments.

The legislative clerk read Mr. Byrd's proposed amendments, as follows:

On page 6, line 17, strike out "\$4,150,479,-000" and insert "\$4,157,013,000."

On page 9, line 3, strike out "\$2,795,722,-986" and insert "\$3,060,189,986."

On page 18, line 6, strike out "\$818,681,000" and insert "\$825,181,000."

On page 27, line 11, strike out "\$3,544,792,-

000" and insert "\$3,622,517,000." On page 28, line 25, strike out "\$3,356,704,-

000" and insert "\$3,357,000,000."

On page 48, strike out the language of the entire pragraph contained in lines 5 through

entire pragraph contained in lines 5 through 17, inclusive.

The PRESIDING OFFICER. Is it the

wish of the Senator from Virginia that the amendments be considered en bloc?

Mr. BYRD. I ask that they be considered en bloc.

The PRESIDING OFFICER. Without objection, the amendments offered by the Senator from Virginia will be considered en bloc.

Mr. BYRD. The amendments neither add to nor reduce the appropriations; they take the sum of \$355 million, which is paid to the United States by foreign countries in currency and in other forms, and place it in the Treasury, under the control of the Bureau of the Budget.

I may say that this is in accordance with the recommendations of the President in his budget message. The amendments were drawn by the Bureau of the Budget, in accordance with my request, and provide that the fund which are paid to the different agencies in foreign countries must go into the Treasury and be subject to the control of the Bureau of the Budget, as is true of all other

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. FULBRIGHT. Are these amendments in accordance with what was called last year the Rabaut amendment. which required the appropriation of all funds received in foreign countries in the form of foreign currencies?

Mr. BYRD. That is correct; but the House has placed in the bill an amendment permitting those currencies to be used without their having to go through the Treasury or the budget.

Mr. FULBRIGHT. Are they currencies arising from the mutual-aid pro-

gram?

Mr. BYRD. No: they arise from the receipts of foreign currency by the Army. Mr. FULBRIGHT. From what source?

Mr. BYRD. From various sources abroad, including services and commodities received in foreign countries for one purpose or another, to the value of \$355

Mr. FULBRIGHT. Perhaps I have not made myself clear. The amounts are in foreign credits. How did the credits arise? From the mutual-security program, or from the sale of surplus agricultural commodities?

Mr. BYRD. They arose in different ways, for instance, when the Department of Defense accepts real property and commodities from foreign countries. The aggregate is \$355 million. All I desire to have done is to place that money under the control of the Treasury and the budget, subject to appropriation, as is true of other appropriations. should be first deposited in the Treasury, and then paid out under appropriations.

Mr. FULBRIGHT. I was not opposing the Senator's amendments; I was only trying to clarify the situation and to have the Record show what was involved.

Mr. FERGUSON. Mr. President, will

the Senator yield? Mr. BYRD. I yield.

Mr. FERGUSON. I have great sympathy for the amendments, but I am informed that the Department of Defense objects to them, principally because of the cost involved. Their reasoning, or their argument, which I think has merit-

Mr. MAYBANK. Mr. President, will the Senator yield for a question?

Mr. FERGUSON. I yield. Mr. MAYBANK. My principal reason for asking the Senator to yield was that when the Senator from Michigan asked me to yield so that he might suggest the absence of a quorum, it was with the understanding that I would have the floor afterward.

My purpose in asking the Senator from Michigan to yield now is that I desire to ascertain if it is the purpose of the majority leader to complete action on the bill tonight.

Mr. KNOWLAND. Of course, it is somewhat difficult for me to know the number of additional amendments which may be offered. I have been hopeful that action on the bill might be completed today.

Mr. MAYBANK. I wish to be perfectly fair to my friends on the other side of the aisle. If it is the intention to have action completed on the bill tonight. I expect to suggest the absence of a quorum whenever an amendment is offeerd. I do not think it is being fair to the American people, when an appropriation bill in the amount of \$30 billion is being considered in the Senate, it having been reported only 3 days ago, and debate having started only at 12 o'clock today, to attempt to complete action on it by 6 o'clock this evening.

Mr. FERGUSON. We have been hav-

ing a full debate.

Mr. MAYBANK. I do not think there has been any debate whatsoever on the substance of the bill. The distinguished junior Senator from Missouri [Mr. SYMINGTON] desires to speak, as does the distinguished junior Senator from Massachusetts [Mr. KENNEDY], and other Senators.

I simply desired to ascertain what was the expectation, because I have been asked to act as minority leader. If there are going to be any objections, I shall suggest the absence of a quorum every time an amendment is offered.

Mr. BYRD. A quorum call was had prior to the offering of my amendments.

Mr. MAYBANK. I understand. Mr. FERGUSON. I should like to state the position of the Department of Defense with respect to the amendments offered by the Senator from Virginia. If the Army has a service performed in German, to take that country as an example where the situation applies, the cost of the service is deducted; that is, it is a service which the Army receives but for which it does not pay doflars. If the amendments of the Senator from Virginia were adopted, it would be necessary to have the German Republic set a price on the service, which would necessitate, in turn, a bookkeeping item.

When it is considered that millions of dollars are involved, it can be seen how great would be the number of bookkeeping items which would be involved in services which we are now getting free under the present system, because it is not necessary to place a particular value on the services.

Mr. BYRD. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. BYRD. The amendment does not affect the free items in section 727; it affects only the latter part of section 727.

Mr. FERGUSON. Every item would have to be accounted for, as I understand.

Mr. BYRD. In other words, amendment strikes out, on page 48, the language of the entire paragraph contained in lines 5 through 17, inclusive. The first part of section 727, which applies to free services, is not affected.

Mr. FERGUSON. I have been told that there would be a bookkeeping item on each service. Bookkeeping would be required as to each item, whereas if the amendments were not agreed to, bookkeeping would not be required. Outside the cost of bookkeeping, I do not believe any cost would be involved, because there would be returned to the Treasury the same amount of money which is now obtained by appropriation.

Mr. BYRD. We could afford to have a little bookkeeping done for \$355 million, in order to keep our books straight.

This subject has come up every year in connection with counterpart funds and other money collected in Europe, which is not deposited in the Treasury of the United States. All the amendments seek to do is to place the money in the Treasury, the same as other money which is collected, and then to appropriate it.

Mr. FERGUSON. I am simply stating the facts. I have great sympathy for the purpose of the Senator's amend-

ments.

Mr. BYRD. All the agencies of the Government want their money to be available to them, so that they can do as they please with it. But this privilege has been abused, and all kinds of things have been done with counterpart funds. As the Senator from Michigan knows, this provision was requested by the President and the Bureau of the Budget, and I am simply carrying out their recommendations.

Mr. FERGUSON. I shall simply make a general statement. If any member of the Committee on Appropriations, or any other Member of the Senate, knows of any reason why the amendments should not be taken to conference, where the question can be settled, I should like to know about it. I am in sympathy with the amendments: I have simply raised the objection which has been presented to me on the part of the Department of Defense.

Mr. BYRD. That is the same type of objection as is made by all interested parties.

Mr. FERGUSON. Yes.

Mr. BYRD. The Senator from Michigan last year joined with me in acting on a similar amendment.

Mr. FERGUSON. That is correct. I personally have not changed my mind on the question, but I merely desired to state the position of the Department of Defense.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. MAYBANK. As one member of the committee, I should like to see the amendments agreed to. There was a similar controversy with respect to the battle monuments, when funds could not be obtained to erect monuments to our war dead in Europe. But finally a law was enacted, and the able Senator from Virginia joined with me in securing its

Mr. FERGUSON. If the Chair would put the question, the amendments, without objection, might be taken to conference.

The PRESIDING OFFICER. The question is on agreeing en bloc to the amendments offered by the Senator from Virginia.

The amendments were agreed to.

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a more detailed explanation of the amendments which have just been agreed to.

There being no objection, the explanation was ordered to be printed in the RECORD, as follows:

SUMMARY OF AMENDMENTS TO MILITARY AP-PROPRIATION BILL AS PROPOSED BY SENATOR BYRD

This amendment has only one purpose: sound fiscal procedure in accordance with policies established by the administration, advocated by both the Bureau of the Budget and the Treasury Department, and written by Congress into previous appropriation acts, and into current appropriation bills for other activities.

It neither increases nor decreases funds available to any military activity. It has no effect on deficit or surplus.

As the bill stands certain military activities would spend directly foreign currencies they collect instead of turning them into the Treasury. Under the amendment they would turn this revenue over to the Treasury and get all their money in accordance with specific appropriations.

If the bill remains as it is the total appropriation figure erroneously would appear to be reduced in terms of budget estimates, unless the revenue estimate were shown to be reduced by an equal amount. Under the amendment both appropriations and revenue would be held to the budget recommendation formula.

The amendment simply would eliminate general authorization for the expenditure of foreign currencies which have not gone through Treasury accounts, and provide under regular appropriation procedure for the expenditure of funds in the same amounts by the activities involved.

The figures in the amendment have been checked with the Bureau of the Budget, the House Committee Report, and the Senate Appropriations Committee Staff.

It should be emphasized that the amendment does not increase appropriations. It merely puts the figures in the bill. It would not increase expenditures. It would have no effect on deficit or surplus.

BACKGROUND AND DETAIL

Section 1415 of the Supplemental Appropriation Act, 1953, provided that foreign credits owed to or owned by the United States Treasury would not be available for expenditure after June 30, 1953, except as provided for annually in appropriation acts.

Pursuant to that provision, foreign currencies and credits were made available during the fiscal year 1954 only upon payment to the Treasury of the dollar equivalent from the appropriations making use of the currencies or credits. This rule was subject to certain exceptions, particularly in that the Department of Defense was permitted to accept real property, the use of real property, and services and commodities from foreign countries without payment of the dollar equivalent from its appropriations.

For the fiscal year 1955, the budget pro-

For the fiscal year 1955, the budget proposed that the Department of Defense be subject to the general provision applicable to other agencies requiring payment from its appropriations of the dollar equivalent of foreign currencies and credits available for its use. The budget proposal would have permitted the Department of Defense to continue to receive the use of real property, and to accept reciprocal international courtesles and services customarily made available.

able without charge, without payment of the dollar equivalent.

The House retained the budget provision permitting the use of real property and the acceptance of other reciprocal international courtesies and other services customarily furnished without charge but added a paragraph (p. 48 of the bill, lines 5 through 17) permitting the Department of Defense to accept real property, services, and commodities received from foreign countries in accordance with mutual-defense agreements or occupational arrangements without payment of the dollar equivalent from the Department's appropriations. The House deducted, from 5 separate appropriations, a total of \$355,522,000 which had been included therein to permit the payment to the Treasury of the dollar equivalent of the real property, services, and commodities expected to be received from foreign countries under the mutual-defense agreements and occupational arrangements.

The proposed amendments would carry out the Budget proposal that foreign currencies and credits be handled within the Budget, rather than outside it; that is, they would be recorded as receipts of the Treasury and would be disbursed only upon payment to the Treasury of their value from dollar amounts regularly appropriated to the Department of Defense. This procedure is the same as that followed by other agencies in 1954 and proposed for them in the Budget for 1955. It is in line with the purpose of section 1415 of the Supplemental Appropriation Act, 1953, to insure that foreign credits be regulated by the normal budget process instead of being available as an addition to the dollar appropriations of the agencies.

The action of the House in reducing the 5 appropriations by the total amount of \$355,522,000, mentioned above, does not result in a saving since receipts would be reduced by the same amount under the House proposal. Similarly, the proposed amendments restoring a like amount will not result in a loss because receipts will be increased to the same extent. The question, therefore, is not one of loss or saving of tax dollars, but of sound fiscal procedure under which the Department's needs would be provided for within its total dollar appropriations without additional use of other sources of funds.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. KENNEDY. Mr. President, I have an amendment at the desk, which I ask to have read.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield, so that I may make a short statement, with the understanding that he will not lose the floor?

Mr. KENNEDY. I yield.

Mr. MAYBANK. Mr. President, I merely wish to say that I have the greatest respect for the members of the Appropriations Committee, and appreciate the hard work which the distinguished chairman of the subcommittee [Mr. Ferguson] and the Senator from New Hampshire [Mr. Bridges] did in connection with the pending appropriation bill. But the people of the United States may as well know the facts.

The Armed Services appropriation bill for the fiscal year 1955, now before the Senate, carries appropriations totaling \$28,861,584,486. For the fiscal year 1954, the total was \$34,313,321,000. This means we will spend \$5,451,736,514 less on the defenses of our country this year, when world conditions are more serious, than was spent last year. The budget

submitted in the President's message was \$29,887,055,000. The appropriations for 1955, as I have stated, were \$28,861,584,486, showing a reduction of the President's request by \$1,025,470,514. In addition to this, I understand, and I am reliably informed, that the cost of the Indochina war, that is, our aid to the French through the Air Force and Navy, is not included.

However, there will come before the Appropriations Committee the so-called military construction bill, for which the budget estimate is \$1,100,000,000. It is therefore my opinion that careful consideration should be given by the Senate to amending the law to make the necessary increases in the Army personnel, as well as in the Air Force personnel, for planes, and in the Navy, wherever they may be needed, after hearings, at which time I presume the committee will have Admiral Radford, General Van Fleet, and the Joint Chiefs of Staff as witnesses in executive session.

I wish to say that while the distinguished chairman of the subcommittee quoted Admiral Radford, I shall not quote what Admiral Radford said in executive session. Far be it from me to do that, but that was long before the crisis in Indochina, and long before Admiral Radford warned us of the conditions in Indochina.

A month from now, when the construction bill is brought up, we will probably know more about world conditions and have a clearer picture of the international situation, and will be able to legislate more clearly. There will be many changes between now and then. Since the Senate committee has written the bill, the Geneva Conference has failed and folded up. The foreign policy has, to my way of thinking, been a negative policy. This administration has never had any policy.

Today it was announced that Mr. Churchill and Mr. Eden are to visit America. I am sorry they could not get together with our Secretary of State last winter. It may be too late now, but, as a loyal American, I hope it is not. Early in the year I stated I intended to try to amend the bill now pending, but in view of the tragic war changes, and in view of the fact that there will be a supplemental bill, I believe in the months to come we must have a New Look, if this is possible under the present administration's bungling.

Yes; we got the boys home from Korea and made a peace. I ask, what peace? No peace has been made.

Many generations ago a famous South Carolinian, Pinckney, said, "Millions for defense but not one cent for tribute." With the changing world and changing monetary values today, we should say, "Billions for defense, but not a dollar for appeasement."

The PRESIDING OFFICER (Mr. Bush in the chair). The clerk will state the amendment offered by the Senator from Massachusetts [Mr. Kennedy], on behalf of himself and other Senators.

The LEGISLATIVE CLERK. On page 6, in line 17, it is proposed to strike out "\$4,150,479,000" and insert in lieu thereof "\$4,300,479,000"; on page 9, line 3, it is

proposed to strike out "\$2,795,722,986" and insert in lieu thereof "\$2,995,-722,986."

Mr. KENNEDY. Mr. President, these two amendments are intended to restore sufficient funds to the appropriation to make it possible for the Army to maintain its strength for the fiscal year 1955 in 19 divisions. My action is based upon the testimony of General Ridgway before the Appropriations Committee, and the statements of Secretary Stevens and others, and also upon the fact that since the budget was prepared the world situation has deteriorated greatly.

I refer to page 59 of the hearings, where General Ridgway stated:

We are steadily reducing Army forces—a reduction through which our capabilities will be lowered while our responsibilities for meeting the continuing enemy threat have yet to be correspondingly lessened.

This reduction in strength has made it necessary for the Army to reevaluate its military program, its present force structure, and its worldwide deployments.

General Ridgway also testified:

The military power ratio between western defense capacility and the Soviet bloc's capability is not changing to our advan-

It therefore seems to me to be the height of folly for the United States to be reducing its Army strength at a time when the military situation is deteriorating all over the world, and at a time when the Soviet bloc and Soviet Russia are increasing their military strength.

It has been stated that the reason for the cut in the Army was the increase in strength in the forces of South Korea; but no mention was made of the strengthening which has taken place in the forces of the North Koreans and the Chinese during the past year, and the tremendous concentration of effort which the Communists are making in increasing their military strength, while we, on the other hand, last year decreased our air strength and this year our military strength.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield to the Senator from Montana.

Mr. MANSFIELD. I should like to read from page 44 of the hearings, at which time the Senator from South Carolina [Mr. MAYBANK] raised some very interesting questions:

Senator MAYBANK. That is, all I would like to have is clarification so when I vote I know I got you and the Secretary of the Army in

agreement on the appropriation.

General RIDGWAY. I would like, if I may, Mr. Chairman, to make a little bit better answer to Senator MAYBANK's question. It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts that decision as a sound one, and he does his utmost within his available means to carry it out.

Senator MAYBANK. Yes, but at the same time you have the confidence of the people in this country, not only you but the Secretary as well, and you then believe it is a sound decision and you carry it out.

General RIDGWAY. I certainly do, sir.

Senator MAYBANK. And you are satisfied that there are sufficient funds.

General RIDGWAY. I accept this decision as sound one and am putting everything we have behind its execution.

Later, General Ridgway was asked another question by the Senator from South Carolina, and I read in part, as follows:

Senator MAYBANK. * * * But you are satisfied, and you agree that the Army appropriation would be sufficient under the circumstances that we are up against today.

General RIDGWAY. I accept this program as sound.

Senator MAYBANK. I did not ask you if you accept it. I can understand that as a distinguished military man you are, as you said in prefacing your remarks, a career officer will accept orders from above and you accept them, you accept the amount of money and the reduction of the Army. But you do not recommend that?

General RIDGWAY-

And, Mr. President, this is very important-

The time for recommendation is past, sir,

That indicates—to me, at least—that General Ridgway is making the best of a very bad situation. I would be of the opinion that, although he cannot speak, he would be in favor of the amendment of the Senator from Massachusetts if he could do so, because the amendment would bring the number of divisions up to 19, rather than to their total of 21, as of last year. Thus, in effect, the amendment will result in an increase of approximately 100,000 men.

Mr. KENNEDY. That is correct. General Ridgway also stated, as shown on page 59 of the hearings:

The strength of the major components of Soviet bloc military power continues to increase * * * unaccompanied by an offsetting increase in allied strength-

The Senator from Michigan has asked how we can put our judgment against that of President Eisenhower. I would, in all due respect to the President, point out that at this time we have the advantage of hindsight on a budget that was prepared last fall.

Mr. MAYBANK. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield. Mr. MAYBANK. The appropriations carried by the bill are way below the President's recommendations. President himself recommended almost \$1 billion more; and even then he could have transferred some of the sums, if he so desired.

Mr. KENNEDY. Yes. As the Senator from South Carolina knows, this budget was prepared before the situation in Indochina deteriorated. Therefore, we now have the advantage of 5 or 6 months of hindsight.

Mr. MAYBANK. Even so, this is half a billion dollars below the President's request.

The PRESIDING OFFICER. The Chair announces that the amendment of the Senator from Massachusetts must be ruled out of order because it modifies an amendment, already adopted, sub-mitted by the Senator from Virginia [Mr. Byrd], to change the amount. For

that reason, the amendment of the Senator from Massachusetts is out of order. Mr. KENNEDY. Mr. President, I

suggest the absence of a quorum. The PRESIDING OFFICER. The

clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

LEGISLATIVE PROGRAM Mr. KNOWLAND and Mr. LEHMAN addressed the Chair.

The PRESIDING OFFICER. The

Senator from California is recognized. Mr. KNOWLAND. Mr. President, I wish to make an announcement for the information of the Senate. If it is agreeable to the Senate, I plan not to have the session of the Senate continue very much later this evening, because no advance notice was given for an evening session.

In fairness to all Senators, I wish to say that I certainly feel that if we are to keep up reasonably well with our schedule, the pending bill must be disposed of this week. If it is necessary to do so, we expect to hold some evening sessions or a session on Saturday.

Next week there will be some important legislation to consider. However, I do not wish to suggest that the Senate remain in session much longer today. I understand that there are 1 or 2 speeches to be made on other subjects. The Senate will certainly be held in session so that Senators who desire to make speeches may have the opportunity to do so. I do not wish to foreclose the Senator from New York in connection with any statement he intended to make.

Mr. LEHMAN. I was about to offer an amendment. If it is the desire of the majority leader that no further amendments be offered this afternoon, I will withhold it.

Mr. KNOWLAND. It is for Members of the Senate to decide. Inasmuch as there is to be no further voting today, I thought it would be advisable for the Senate to take a recess as soon as practicable, and resume consideration of the pending bill tomorrow immediately following the morning hour.

Mr. LEHMAN. That is entirely agreeable to me.

Mr. KNOWLAND. I wish to give assurances to Senators that, so far as it is within the control of the majority leader, there will be no further voting tonight. No amendments will be acted upon tonight, and no further bills of any character will be passed tonight. However, the Senate will remain in session in order that several speeches may be made.

I also wish to add to the remarks I made earlier in the day. When the pending bill, the armed services appropriation bill, House bill 8873, is finally disposed of, we hope-and I have already given notice to that effect—to take up Calendar No. 1607, House bill 7601, Calendar No. 1608, House bill 7434, Calendar No. 1609, House bill 9040; Calendar No. 1510, House bill 6435; and Calendar No. 1514, Senate bill 3487. There may be one or two additional bills to be added to the list. I have had some discussions with the minority leader.[Mr. Johnson of Texasl. He is particularly interested in one or two bills, and we are endeavoring to reach an arrangement under which those bills may be taken up tomorrow.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Maurer, its reading clerk, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes; that the House receded from its disagreement to the amendments of the Senate numbered 7, 11, 12, 21, 35, and 38, to the bill, and concurred therein; that the House receded from its disagreement to the amendments of the Senate numbered 8, 22, 24, and 49 to the bill, and concurred therein severally with an amendment, in which it requested the concurrence of the Senate.

ENROLLED BILLS AND JOINT RESO-LUTION SIGNED

The message also announced that the Speaker had affixed his signature to the following enrolled bills and joint resolution, and they were signed by the President pro tempore:

H.R. 707. An act for the relief of Dr. Ignacy Adam, Mrs. Amalya Alexander Adam, and George Adam;

H. R. 758. An act for the relief of Harry C. Barney;

H. R. 849. An act for the relief of Mrs. Stella Rebner;

H. R. 1005. An act to authorize the estab-lishment of the Fort Union National Monument, in the State of New Mexico, and for other purposes;

H. R. 1128. An act authorizing the Secretary of the Interior to issue to Jake Alexander a patent in fee to certain lands in the

State of Alabama; H.R. 2566. An act to amend the Contract Settlement Act of 1944 so as to establish

a time limitation upon the filing of certain claims thereunder:

H.R. 2616. An act for the relief of Generosa Bonet:

H. R. 3026. An act for the relief of Barbara Gene Coster;

H. R. 3097. An act to authorize the transfer to the regents of the University of California, for agricultural purposes, of certain real property in Napa County, Calif.;

H. R. 3131. An act for the relief of Wesley Howard Leahy;

H. R. 3249. An act for the relief of Katharina Link;

H. R. 3986. An act to authorize the appropriation of additional funds to complete the International Peace Garden, North Dakota;

H.R. 4701. An act for the relief of Josip Stanic:

H.R. 6173. An act to provide for the use of the tribal funds of the Southern Ute Tribe of the Southern Ute Reservation, to authorize a per capita payment out of such funds, and for other purposes;

H.R. 8357. An act to amend the Standard Container Act of May 21, 1928 (45 Stat. 685; 15 U.S. C. 257-257i), to provide for a threeeighths bushel basket for fruits and vegetables:

H. R. 8456. An act to provide for the conveyance of certain hospital supplies and equipment of the United States to the city of Gulfport and to Harrison County, Miss.;

H.R. 8923. An act to provide for the development of the Coosa River, Ala. and Ga.; and

H. J. Res. 300. Joint resolution to provide for the conveyance to the Texas Hill Country Development Foundation of certain surplus land situated in Kerr County, Tex.

DEPARTMENT OF DEFENSE APPRO-PRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Mr. WILLIAMS. Mr. President, I send to the desk an amendment to the pending bill, and ask that it be made the pending question.

The PRESIDING OFFICER. The amendment offered by the Senator from Delaware will be stated.

The LEGISLATIVE CLERK. At the appropriate place in the bill it is proposed to insert the following:

None of the funds appropriated in this act shall be used except that, so far as practicable, all contracts shall be awarded on a competitive basis to the lowest responsible bidder.

ORDER FOR RECESS

Mr. KNOWLAND. Mr. President, I ask unanimous consent that when the Senate completes its labors this evening it stand in recess until 12 o'clock noon tomorrow.

The PRESIDING OFFICER. out objection, it is so ordered.

JUVENILE DELINQUENCY TRENDS AT THE STUDENT LEVEL

Mr. HENDRICKSON. Mr. President, we have been discussing today a very vital matter, namely, our national defense. I wish now briefly to address myself to an equally vital matter, namely, our youth. Our President has said that the greatest national resource we have is our youth.

Mr. President, in the course of the investigation of juvenile delinquency by the subcommittee of which the junior Senator from New Jersey is chairman, I have been frequently taken aback by the magnitude of the problem and its increasing seriousness.

But this week I received results of a survey of New Jersey college and highschool students which seems to me to approach the very core of a problem which now brings personal pain to many thousands of parents throughout this country, and which should be of major concern to all the rest of us.

This study-undertaken by the sociology department of Fairleigh Dickinson

College of Rutherford, N. J., had a threepurposed goal.

How do typical young Americans evaluate delinquency?

Where does the responsibility lie?

What is the remedy?

The answers, meticulously woven into the students' own observations and experiences, should cause any clear-thinking parent to stop and think.

Warren L. Duncan, industrial coordinator, and Prof. Winifred Minor, both of Fairleigh Dickinson, developed the study some months ago as a sounding board to analyze the delinquency trend at the student level.

They sent questionnaires to 2,500 enrollees at 27 New Jersey high schools in addition to 1,000 college students polled. For obvious reasons I will not identify any of the institutions involved.

Mr. President, here are some of the results of this rather amazing survey

Approximately three-fourths of these young people brushed aside lying and cheating as acts which are not considered acts of delinquency.

How about the more serious crimes of robbery, sex abuses, or wanton property destruction? Did the students vote 100 percent against these repulsive acts and characterize them as delinquency? They did not. Most of the youths agreed that to steal or rob is antisocial, but nevertheless, more than 12 percent of these young people did not consider stealing particularly wrong, and 9 percent would not agree that it is delinquent to rob.

Mr. President, approximately 15 percent of the students could see no delinquency traits in wantonly destroying property, and some 17 percent shunted aside the venality of sex abuses. I might add that among the college students polled, 1 out of 5 saw nothing particularly wrong in sex violations. The record of the high school students was better in this respect.

Stealing, some of the students solemnly observed on the questionnaires, is all right, "if no serious damage is done" or "if you can get away with it."

Here is one youth's justification for juvenile thievery:

When children see and hear of police taking graft, parents fixing traffic tickets, friends smuggling perfume across the border, they feel that they, too, can do something and get away with it.

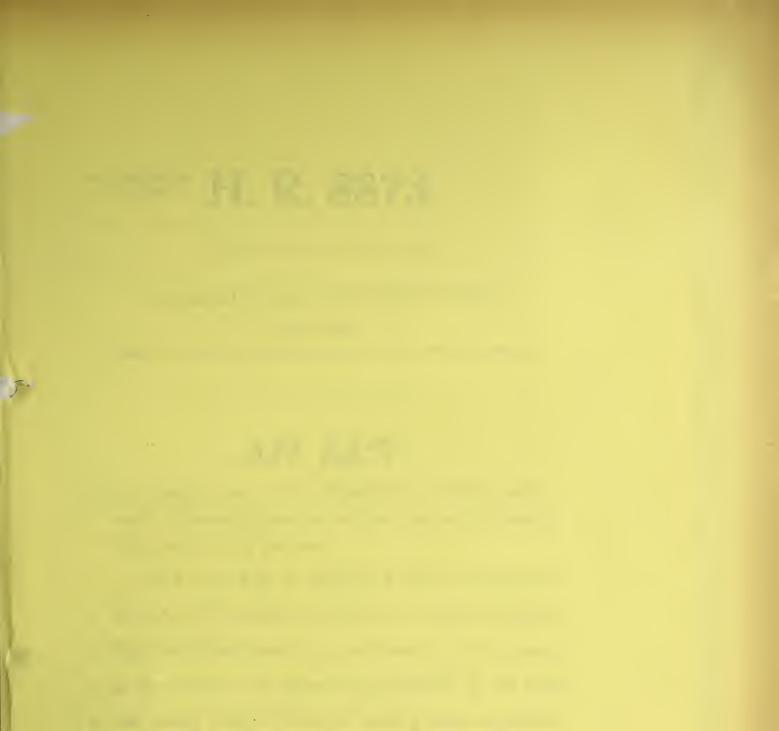
Mr. President, just consider this indictment of adults and officials in the light of juvenile crime now scourging the United States.

But let me continue with this massreaction to juvenile delinquency at the student level. Take the opinions of the high-school students, for example, on the question of where the responsibility lies to bring about remedies.

Nearly half fixed this responsibility on themselves.

Almost as many blamed their parents. Among the college students—and this is interesting-three-quarters of those polled fixed chief responsibility on the parents.

Among high-school students, the local community, the church, and government followed in that order among those agen-





H. R. 8873

IN THE HOUSE OF REPRESENTATIVES

JUNE 17, 1954

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

- 1 Be it enacted by the Senate and House of Representa-
- 2 tives of the United States of America in Congress assembled,
- 3 That the following sums are appropriated, out of any money
- 4 in the Treasury not otherwise appropriated, for the fiscal
- 5 year ending June 30, 1955, for military functions adminis-
- 6 tered by the Department of Defense, and for other purposes,
- 7 namely:
- 8 TITLE I
- 9 NATIONAL SECURITY TRAINING COMMISSION
- 10 Salaries and expenses: For necessary expenses of the
- 11 National Security Training Commission, including services as

1	authorized by section 15 of the Act of August 2, 1946 (5
2	U. S. C. 55a), at rates for individuals not in excess of \$50
3	per diem and contracts with temporary or part-time em-
4	ployees may be renewed annually; and expenses of attend-
5	ance at meetings concerned with the purposes of this appro-
6	priation; \$55,000.
7	DEPARTMENT OF DEFENSE
8	TITLE II
9	Office of the Secretary of Defense
10	SALARIES AND EXPENSES
11	For expenses necessary for the Office of the Secretary of
12	Defense, including hire of passenger motor vehicles; and not
13	to exceed \$60,000 for emergency and extraordinary expenses,
14	to be expended under the direction of the Secretary of
15	Defense for such purposes as he deems proper, and his deter-
16	mination thereon shall be final and conclusive; (1)\$12,000,
17	000 \$12,500,000.
18	OFFICE OF PUBLIC INFORMATION
19	For salaries and expenses necessary for the Office of
20	Public Information, \$500,000.
21	TITLE III
22	INTERSERVICE ACTIVITIES
23	CLAIMS
24	For payment of claims by the Office of the Secretary of
25	Defense, the Army (except as provided in appropriations

1	for civil functions administered by the Department of the
2	Army), Navy, Marine Corps, and Air Force, as author-
3	ized by law; claims (not to exceed \$1,000 in any one case)
4	for damages to or loss of private property incident to the
5	operation of Army and Air National Guard camps of instruc-
6	tion, either during the stay of units of said organizations at
7	such camps or while en route thereto or therefrom; claims,
8	as authorized by law, for damage to property of railroads
9	under training contracts; and repayment of amounts deter-
10	mined by the Secretary of the Army, the Secretary of the
11	Navy, or the Secretary of the Air Force, or officers desig-
12	nated by them, to have been erroneously collected from mil-
13	itary and civilian personnel of the Departments of the Army,
14	Navy, and Air Force or from States, Territories, or the
1 5	District of Columbia, or members of National Guard units
16	thereof; \$7,680,000.
17	Construction of Ships, Military Sea
18	TRANSPORTATION SERVICE
19	For expenses necessary for the construction, acquisition,
20	or conversion of vessels, including armament therefor, for
21	the Military Sea Transportation Service; designs for such
22	vessels to be constructed or converted in the future; and
23	plant equipment, appliances, and machine tools, and instal-
24	lation thereof in public or private plants; \$50,000,000,

1	to remain available until expended and to be allocated to the
2	Secretary of the Navy.
3	Contingencies
4	For emergencies and extraordinary expenses arising in
5	the Department of Defense, to be expended on the approval
6	or authority of the Secretary of Defense and such expenses
7	may be accounted for solely on his certificate that the ex-
8	penditures were necessary for confidential military purposes,
9	\$40,000,000: Provided, That a report of disbursements
10	under this item of appropriation shall be made quarterly to
11	the Appropriations Committees of the Congress.
12	EMERGENCY FUND
12 13	EMERGENCY FUND For transfer by the Secretary of Defense, with the
13	For transfer by the Secretary of Defense, with the
13 14	For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation
13 14 15	For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation for military functions under the Department of Defense
13 14 15 16	For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation for military functions under the Department of Defense available for research and development, to be merged with
13 14 15 16 17	For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation for military functions under the Department of Defense available for research and development, to be merged with and to be available for the same purposes, and for the same
13 14 15 16 17	For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation for military functions under the Department of Defense available for research and development, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred,
113 114 115 116 117 118 119	For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation for military functions under the Department of Defense available for research and development, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred, \$25,000,000.

that year shall remain available for such transfer during the

23

24

current fiscal year.

1	RETIRED PAY .
2	For retired pay and retirement pay, as authorized by
3	law, of military personnel on the retired lists of the Army,
4	Navy, Marine Corps, and the Air Force, including the
5	reserve components thereof; retainer pay for personnel
6	of the inactive Fleet Reserve, and payments under the
7	Uniformed Services Contingency Option Act of 1953;
8	\$404,500,000.
9	COURT OF MILITARY APPEALS
10	For salaries and expenses necessary for the Court of
11	Military Appeals, \$320,000.
12	TITLE IV
13	DEPARTMENT OF THE ARMY
14	MILITARY PERSONNEL
1 5	For pay, allowances, individual clothing, interest on
1 6	deposits, and permanent change of station travel, for mem-
17	bers of the Army on active duty (except those undergoing
18	reserve training); expenses incident to movement of troop
19	detachments, including rental of camp sites and procurement
20	of utility and other services; expenses of apprehension and
21	delivery of deserters, prisoners, and soldiers absent without
22	leave, including payment of rewards (not to exceed \$25 in
23	any one case), and costs of confinement of military prisoners
24	in nonmilitary facilities; donations of not to exceed \$25 to

each prisoner upon each release from confinement in an 1 Army prison (other than a disciplinary barracks) and to 2 each person discharged for fraudulent enlistment; authorized 3 issues of articles to prisoners, other than those in disciplinary 4 barracks; subsistence of enlisted personnel, selective service 5 registrants called for induction and applicants for enlistment 6 while held under observation, and prisoners (except those at 7 disciplinary barracks), or reimbursement therefor while such 8 personnel are sick in hospitals; and subsistence of super-9 10 numeraries necessitated by emergent military circumstances; (3)\$4,150,479,000 \$4,157,013,000: Provided, That section 11 212 of the Act of June 30, 1932 (5 U.S. C. 59a), shall not 12 apply to retired military personnel on duty at the United 13 States Soldiers' Home: Provided further, That the duties of 14 15 the librarian at the United States Military Academy may be

performed by a retired officer detailed on active duty. 17 MAINTENANCE AND OPERATIONS

16

18 For expenses, not otherwise provided for, necessary for 19 the maintenance and operation of the Army, including admin-20 istration and rentals at the seat of government; medical and 21 dental care of personnel entitled thereto by law or regulation 22 (including charges of private facilities for care of military 23 personnel on duty or leave, except elective private treatment), and other measures necessary to protect the health 24 25 of the Army; disposition of remains, including those of all

Army personnel who die while on active duty; chaplains' 1 activities; awards and medals; welfare and recreation; in-2 formation and educational services for the Armed Forces; 3 recruiting expenses; subsistence of prisoners at disciplinary 4 barracks, and of civilian employees as authorized by law; 5 expenses of apprehension and delivery of prisoners escaped 6 from disciplinary barracks, including payment of rewards not 7 exceeding \$25 in any one case, and expenses of confinement 8 of such prisoners in nonmilitary facilities; donations of not 9 to exceed \$25 to each prisoner upon each release from con-10 finement in a disciplinary barracks; military courts, boards, 11 and commissions; authorized issues of articles for use of 12 applicants for enlistment and persons in military custody; 13 14 civilian clothing, not to exceed \$30 in cost, to be issued each 15 person upon each release from confinement in an Army 16 prison and to each soldier discharged otherwise than honor-17 ably, or sentenced by a civil court to confinement in a civil 18 prison, or interned or discharged as an alien enemy; transportation services; communications services, including con-19 20 struction of communication systems; maps and similar data 21 for military purposes; military surveys and engineering plan-22ning; alteration, extension, and repair of structures and prop-23 erty; acquisition of lands (not exceeding \$5,000 for any one 24 parcel), easements, rights-of-way, and similar interests in land, and, in administering the provisions of 43 U.S. C. 315q, 25

- 1 rentals may be paid in advance; utility services for buildings
- 2 erected at private cost, as authorized by law (10 U.S.C.
- 3 1346), and buildings on military reservations authorized
- 4 by Army regulations to be used for a similar purpose; pur-
- 5 chase of ambulances; hire of passenger motor vehicles; tui-
- 6 tion and fees incident to training of military personnel at
- 7 civilian institutions; field exercises and maneuvers, including
- 8 payments in advance for rentals or options to rent land; ex-
- 9 penses for the Reserve Officers' Training Corps and other
- 10 units at educational institutions, as authorized by law; ex-
- 11 change fees, and losses in the accounts of disbursing officers
- 12 or agents in accordance with law; expenses of inter-
- 13 American cooperation, as authorized for the Navy by law
- 14 (5 U.S. C. 421f) for Latin-American cooperation; not
- 15 to exceed \$4,396,400 for emergencies and extraordinary
- 16 expenses, to be expended on the approval or authority of the
- 17 Secretary of the Army, and payments may be made on his
- 18 certificate of necessity for confidential military purposes, and
- 19 his determination shall be final and conclusive upon the
- 20 accounting officers of the Government; (4)\$2,795,722,986
- 21 \$3,060,189,986.
- 22 MILITARY CONSTRUCTION, ARMY RESERVE FORCES
- For construction, acquisition, expansion, rehabilitation
- 24 and conversion of facilities for the training and administra-
- 25 tion of the reserve components, including contributions there-

- 1 for, as authorized by the Act of September 11, 1950 (64
- 2 Stat. 829), without regard to sections 1136 and 3734,
- 3 Revised Statutes, as amended, and land and interests therein
- 4 may be acquired and construction prosecuted thereon prior
- 5 to the approval of title by the Attorney General as required
- 6 by section 355 of the Revised Statutes, as amended; and
- 7 hire of passenger motor vehicles; \$15,000,000, to remain
- 8 available until expended, of which \$1,000,000 shall be
- 9 available for the construction of buildings and facilities other
- 10 than armories without regard to the 75 per centum restriction
- 11 on contributions contained in section 4 (d) of the Act of
- 12 September 11, 1950 (5): Provided, That not to exceed
- 13 \$36,000,000 may be transferred to this appropriation from
- 14 the appropriation "Procurement and Production, Army"
- 15 for the construction of National Guard armories in accord-
- 16 ance with said Act of September 11, 1950, when such trans-
- 17 fers are determined by the Secretary of Defense to be in
- 18 the national interest.

19 RESERVE PERSONNEL REQUIREMENTS

- For pay, allowances, clothing, subsistence, transporta-
- 21 tion, travel and related expenses, as authorized by law, for
- 22 personnel of the Army Reserve while on active duty under-
- 23 going Reserve training or while performing drills or equiva-
- 24 lent duty, and for members of the Reserve Officers' Training

- 1 Corps; subsistence for members of the Army Reserve for
- 2 drills of eight or more hours duration in any one calendar
- 3 day; \$90,000,000.

4 ARMY NATIONAL GUARD

For pay, allowances, clothing, subsistence, transporta-5 tion, and travel, as authorized by law, for personnel of the Army National Guard while undergoing training or while 7 performing drills or equivalent duties; expenses of training, 8 organizing and administering the Army National Guard, in-9 cluding maintenance, operation, and alterations to structures 10 and facilities; hire of passenger motor vehicles; personal 11 services in the National Guard Bureau and services of per-12 sonnel of the National Guard employed as civilians without 13 regard to their military rank, and the number of caretakers 14 authorized to be employed under provisions of law (32) 15 U. S. C. 42) may be such as is deemed necessary by the 16 Secretary of the Army; subsistence for officers attending 17 drills of eight or more hours duration in any one calendar 18 day; travel expenses (other than mileage), as authorized by 19 law for Army personnel on active duty, for Army National 20 Guard division, regimental, and battalion commanders while 21 inspecting units in compliance with National Guard regula-22 tions when specifically authorized by the Chief, National 23 Guard Bureau; supplying and equipping the Army National 24 Guard of the several States, Territories, and the District of 25

- 1 Columbia, as authorized by law; and expenses of repair,
- 2 modification, maintenance, and issue of supplies and equip-
- 3 ment (including aircraft); \$218,530,000 (6): Provided,
- 4 That in addition, the Secretary of the Army may transfer not
- 5 to exceed \$25,000,000 to this appropriation from the appro-
- 6 priation "Procurement and Production, Army": Provided
- 7 further, That obligations may be incurred under this appro-
- 8 priation for installation, maintenance, and operation of facili-
- 9 ties for antiaircraft defense without regard to section 67 of
- 10 the National Defense Act.

11 RESEARCH AND DEVELOPMENT

- For expenses necessary for basic and applied scientific
- 13 research and development, including maintenance, rehabili-
- 14 tation, lease and operation of facilities and equipment, as
- authorized by law, \$345,000,000, to remain available until
- 16 expended.
- 17 NATIONAL BOARD FOR THE PROMOTION OF RIFLE
- PRACTICE, ARMY
- For necessary expenses of construction, equipment
- 20 and maintenance of rifle ranges, the instruction of citizens
- 21 in marksmanship, and promotion of rifle practice, in accord-
- 22 ance with law, including travel of rifle teams, military
- personnel, and individuals attending regional, national, and
- 24 international competitions, and not to exceed \$18,000 for
- 25 incidental expenses of the National Board, \$100,000: Pro-

1	vided, That travel expenses of civilian members of the
2	National Board shall be paid in accordance with the Stand-
3	ardized Government Travel Regulations, as amended.
4	ALASKA COMMUNICATION SYSTEM
5	OPERATION AND MAINTENANCE
6	For expenses necessary for the operation, maintenance,
7	and improvement of the Alaska Communication System,
8	including purchase (not to exceed two for replacement
9	only) and hire of passenger motor vehicles, \$4,235,000,
10	to remain available until the close of the fiscal year 1956,
11	and, in addition, not to exceed 15 per centum of the current
12	fiscal year receipts of the Alaska Communication System
13	may be merged with and used for the purposes of this
14	appropriation.
15	REDUCTIONS IN APPROPRIATIONS
16	PROCUREMENT AND PRODUCTION
17	The sum of \$500,000,000 of funds heretofore appro-
18	priated under this head is hereby rescinded, such sum to be
19	covered into the Treasury immediately upon approval of this
20	Act.
21	ARMY STOCK FUND
22	The amount available in the Army Stock Fund is hereby
23	reduced by \$300,000,000, such sum to be covered into the
24	Treasury immediately upon approval of this Act.

1	TITLE V
2	DEPARTMENT OF THE NAVY
3	MILITARY PERSONNEL, NAVY
4	For pay, allowances, subsistence, interest on deposits,
5	gratuities, clothing, permanent change of station travel (in-
6	cluding expenses of temporary duty between permanent duty
7	stations), training duty travel of midshipmen paid hereunder,
8	and transportation of dependents, household effects, and
9	privately owned automobiles, as authorized by law, for
1 0	regular and reserve personnel on active duty (except those
11	on active duty while undergoing reserve training), mid-
12	shipmen at the Naval Academy, and aviation cadets,
13	\$2,417,000,000.
14	MILITARY PERSONNEL, NAVAL RESERVE
1 5	For pay, allowances, clothing, subsistence, gratuities,
1 6	and travel, as authorized by law, for personnel of the Naval
17	Reserve on active duty while undergoing reserve training,
18	or while performing drills or equivalent duty, regular and
19	contract enrollees in the Naval Reserve Officers' Training
20	Corps, and retainer pay authorized by the Act of August
21	13, 1946 (34 U. S. C. 1020h), \$78,100,000.
22	NAVY PERSONNEL, GENERAL EXPENSES
23	For expenses necessary for general training, education
24	and administration of regular and reserve personnel, includ-

- ing tuition, cash book allowances of not to exceed \$50 for 1 each Naval Aviation College program student, and other 2 costs incurred at civilian schools, general training aids and 3 devices, procurement of military personnel, and authorized 4 annuity premiums and retirement benefits for civilian mem-5 bers of teaching staffs; maintenance and operation of Navy 6 training and personnel facilities, including the Naval Acad-7 emy, Naval Postgraduate School, Naval War College, Naval 8 Home, Navy training schools and facilities, disciplinary 9
- 10 barracks, and retraining commands; rent; hire of motor
- vehicles; not to exceed \$30 per person for civilian clothing,
- 12 including an overcoat when necessary, for enlisted personnel
- 13 discharged otherwise than honorably; welfare and recreation;
- 14 medals and other awards; and departmental salaries;
- 15 **(7)**\$74,970,000 \$75,030,000.

MILITARY PERSONNEL, MARINE CORPS

- 17 For pay, allowances, subsistence, interest on deposits,
- 18 gratuities, clothing, permanent change of station travel (in-
- 19 cluding expenses of temporary duty between permanent duty
- 20 stations), and transportation of dependents, household
- 21 effects, and privately owned automobiles, as authorized by
- 22 law, for regular and reserve personnel on active duty (ex-
- 23 cept those on active duty while undergoing reserve training),
- 24 \$612,180,600.

16

1 MILITARY PERSONNEL, MARINE CORPS RESERVE

- 2 For pay, allowances, clothing, subsistence, gratuities,
- 3 and travel, as authorized by law, for personnel of the Marine
- 4 Corps Reserve and the Marine Corps platoon leaders class
- 5 on active duty while undergoing reserve training, or while
- 6 performing drills or equivalent duty, \$16,750,000.

7 MARINE CORPS TROOPS AND FACILITIES

- 8 For necessary expenses of troops and facilities of the
- 9 Marine Corps not otherwise provided for, including main-
- 10 tenance and operation of equipment and facilities, and pro-
- 11 curement of military personnel; training and education of
- 12 regular and reserve personnel, including tuition and other
- 13 costs incurred at civilian schools; welfare and recreation;
- 14 not to exceed \$30 per person for civilian clothing, including
- 15 an overcoat when necessary, for enlisted personnel dis-
- 16 charged otherwise than honorably; procurement and manu-
- 17 facture of military supplies, equipment and clothing; hire of
- passenger motor vehicles; transportation of things; industrial
- mobilization; rent; medals, awards, emblems and other in-
- ²⁰ signia; care of the dead; and departmental salaries;
- ²¹ \$167,994,500.

22

MARINE CORPS PROCUREMENT

- For expenses necessary for the procurement, manufac-
- 24 ture, and modification of armament, ammunition, mili-

1 tary equipment and vehicles for the Marine Corps, in-

2 cluding purchase of passenger motor vehicles; \$129,974,000,

3 to remain available until expended.

4

13

AIRCRAFT AND FACILITIES

For expenses necessary for maintenance, operation, and modification of aircraft; maintenance, operation, and lease of air stations and facilities, testing laboratories, fleet and other aviation activities; procurement of services, supplies, special clothing, tools, materials, and equipment, including rescue boats; industrial mobilization; aerological services, supplies, and equipment for the Navy and Marine Corps; and departmental salaries; (8)\$775,895,500 \$785,895,500.

AIRCRAFT AND RELATED PROCUREMENT

For construction, procurement, and modernization of air-14 craft and equipment, including ordnance, spare parts, and 15 accessories therefor; expansion of public and not to exceed 16 \$10,000,000 for expansion of private plants, including the 17 land necessary therefor, without regard to section 3734, 18 Revised Statutes, as amended, and such land, and interests 19 therein, may be acquired and construction prosecuted thereon 20 prior to approval of title by the Attorney General as required 21 by section 355, Revised Statutes, as amended; procurement 22 and installation of equipment in public or private plants; 23 and departmental salaries necessary for the purposes of 24 this appropriation, to remain available until expended; 25

- 1 \$1,973,568,000 **(9)**: Provided, That \$700,000 of the fore-
- 2 going amount shall be transferred to the appropriation
- 3 "Salaries and expenses, Weather Bureau, Department of
- 4 Commerce', fiscal year 1955.

5 SHIPS AND FACILITIES

- 6 For expenses necessary for design, maintenance, opera-
- 7 tion, and alteration of vessels; maintenance and operation of
- 8 facilities; procurement of plant equipment, appliances, and
- 9 machine tools, and installation thereof in public or private
- 10 plants; procurement of equipment, supplies, special clothing
- 11 and services; installation, maintenance, and removal of ships'
- 12 ordnance; lease of facilities and docks; charter and hire of
- 13 vessels; relief of vessels in distress; maritime salvage serv-
- 14 ices; industrial mobilization; and departmental salaries;
- 15 (10)\$\\$18,681,000 \$\\$25,181,000, of which \$15,675,000
- 16 shall be transferred to the appropriation "Coast Guard Oper-
- 17 ating Expenses, 1955" for the operation of ocean stations.

18 Construction of Ships

- 19 For an additional amount for "Construction of Ships",
- 20 \$57,600,000, to remain available until expended: Provided,
- 21 That the total of obligations incurred under this head for
- 22 construction, conversion, or replacement, approved after July
- 23 17, 1947, shall not exceed \$1,251,861,000.

1

16

SHIPBUILDING AND CONVERSION

For expenses necessary for the construction, acquisition, 2 or conversion of vessels as authorized by law, including 3 armor and armament therefor, plant equipment, appliances, 4 and machine tools, and installation thereof in public or pri-5 vate plants; designs for vessels to be constructed or converted 6 in the future; and departmental salaries necessary for the 7 purposes of this appropriation; \$1,042,400,000, to remain 8 available until expended: Provided, That the total of obliga-9 tions incurred under the heads "Shipbuilding and conversion" 10 and "Ordnance for shipbuilding and conversion", including 11 those incurred against reimbursements credited to these ap-12 propriations pursuant to section 403 (b) of the Mutual De-13 fense Assistance Act of 1949, as amended (22 U.S. C. 1574 14 (b)), shall not exceed \$4,370,504,000. 15

ORDNANCE AND FACILITIES

17 For expenses necessary for the production and procure-18 ment of Navy ordnance and ammunition (except ordnance 19 for new aircraft, new ships, and ships authorized for conver-20 sion); alteration, preservation, and handling of ordnance 21 and ammunition; maintenance of ordnance (except installa-22 tion, maintenance, and removal of ships' ordnance, and line 23 maintenance of ordnance installed in aircraft); maintenance 24 and operation of ordnance facilities; procurement of equip-25 ment, supplies, special clothing and services; procurement

- 1 of plant equipment, appliances, and machine tools, and in-
- 2 stallation thereof in naval or private plants; lease of facil-
- 3 ities; industrial mobilization; and departmental salaries;
- 4 \$457,436,000.
- 5 ORDNANCE FOR NEW CONSTRUCTION (LIQUIDATION OF
- 6 CONTRACT AUTHORIZATION)
- 7 For liquidation of obligations incurred pursuant to
- 8 authority heretofore granted under this head, \$34,000,000,
- 9 to remain available until expended: Provided, That this
- 10 amount may be disbursed through the appropriation
- 11 "Ordnance for New Construction, Navy".
- 12 MEDICAL CARE
- 13 For expenses necessary for maintenance and operation
- 14 of naval hospitals, medical centers, clinics, schools, (11)re-
- 15 search facilities, and other medical activities; technical medi-
- 16 cal support of the supply system and other naval activities;
- 17 procurement of ambulances, medical and dental supplies,
- 18 equipment and services; rent; instruction of medical personnel
- 19 in naval hospitals, naval schools, and civilian schools; indus-
- 20 trial mobilization; care of the dead; and departmental sal-
- 21 aries; \$63,600,000.
- 22 CIVIL ENGINEERING
- For expenses necessary for maintenance and operation
- 24 of district public works offices, public works centers, con-
- 25 struction battalion centers, defense housing projects, other

- 1 civil engineering facilities, and shore activities not otherwise
- 2 provided for; procurement of services, supplies, and equip-
- 3 ment for the foregoing activities; purchase and hire of
- 4 passenger motor vehicles; engineering services; industrial
- 5 mobilization; and departmental salaries; (12)\$103,294,000
- 6 \$105,294,000.
- 7 MILITARY CONSTRUCTION, NAVAL RESERVE FORCES
- 8 For construction, acquisition, expansion, rehabilitation
- 9 and conversion of facilities for the training and administration
- 10 of the reserve components of the Navy and Marine Corps,
- 11 including contributions therefor, as authorized by the Act of
- 12 September 11, 1950 (64 Stat. 829), without regard to
- 13 section 3734, Revised Statutes, as amended, and land and
- 14 interests therein may be acquired and construction prosecuted
- 15 thereon prior to the approval of title by the Attorney General
- 16 as required by section 355, Revised Statutes, as amended;
- 17 \$15,000,000, to remain available until expended.
- 18 FACILITIES
- 19 For expenses necessary for acquisition, construction, and
- 20 installation of production facilities and equipment, and test
- 21 facilities and equipment (other than those for research and
- 22 development), including the land necessary therefor, with-
- 23 out regard to section 3734, Revised Statutes, as amended,
- 24 and such land, and interests therein, may be acquired and

- 1 construction prosecuted thereon prior to the approval of
- 2 title by the Attorney General as required by section 355,
- 3 Revised Statutes, as amended, such amounts as may be de-
- 4 termined by the Secretary of the Navy, and approved by the
- 5 Secretary of Defense and the Bureau of the Budget, and
- 6 said amounts shall be derived by transfer from any appro-
- 7 priations available to the Department of the Navy, during
- 8 the current fiscal year for procurement of equipment for
- 9 installation or use in private plants: Provided, That the
- 10 total amount so transferred shall not exceed \$25,000,000.

11 RESEARCH AND DEVELOPMENT

- 12 For expenses necessary for basic and applied scientific
- 13 research and development, including maintenance, rehabilita-
- 14 tion, lease, and operation of facilities and equipment, as
- 15 authorized by law, \$419,874,900, to remain available until
- 16 expended (13): Provided, That the unexpended balances
- 17 appropriated for research and development under the heads
- 18 "Naval Personnel, General Expenses", "Marine Corps,
- 19 Troops and Facilities", "Aircraft and Facilities", "Ships
- 20 and Facilities", "Ordnance and Facilities", "Medical Care",
- 21 "Civil Engineering", "Servicewide Supply and Finance,
- 22 Navy" for the fiscal years 1953 and 1954 and the un-
- 23 expended balance of appropriations under the head "Re-
- 24 search" are hereby transferred to and merged with this

- 1 appropriation, in such amounts as may be recommended
- 2 by the Secretary of Defense and approved by the Director
- 3 of the Bureau of the Budget.

4 SERVICE-WIDE SUPPLY AND FINANCE

5 For expenses necessary for maintenance and operation of

6 service-wide supply and finance activities, including supply

7 depots and centers, area provision supply and purchasing

8 offices, supply demand control points, fleet fueling facilities,

9 overseas air cargo terminals, regional accounting and dis-

10 bursing offices, the material catalog office, and other service-

11 wide supply and finance facilities, as designated by the Sec-

12 retary; procurement of supplies, services, special clothing,

13 and equipment; rent, intra-Navy transportation of things;

14 transportation of household effects of civilian employees;

15 industrial mobilization; losses in exchange and in the ac-

16 counts of disbursing officers, as authorized by law; and

17 departmental salaries; \$340,300,000.

18

SERVICE-WIDE OPERATIONS

19 For expenses necessary for maintenance and operation of

20 the Naval Observatory, the Hydrographic Office, Service-

21 wide Communications, Naval Records Centers, Naval Dis-

22 trict Headquarters (except training officers), River Com-

23 mands, the cost inspection service, and other service-wide

1	operations and functions not otherwise provided for; procure-
2	ment of supplies, services and equipment for activities
3	financed hereunder; Latin-American cooperation; not to
4	exceed \$8,405,000 for emergencies and extraordinary ex-
5	penses as authorized by section 6 of the Act of August 2,
6	1946 (5 U.S. C. 419c), to be expended on the approval
7	and authority of the Secretary, and his determination shall be
8	final and conclusive upon the accounting officers of the
9	Government; and departmental salaries; (14)\$103,625,000
10	\$104,849,000.
11	NAVAL PETROLEUM RESERVES
12	For expenses necessary for exploration, prospecting,
13	conservation, development, use, and operation of the naval
14	petroleum reserves, as authorized by law, \$3,575,000.
15	REDUCTIONS IN APPROPRIATIONS
16	NAVY STOCK FUND
17	The amount available in the Navy Stock Fund is hereby
18	reduced by \$200,000,000, such sum to be covered into the
19	Treasury immediately upon approval of this Act.
20	MARINE CORPS STOCK FUND
21	The amount available in the Marine Corps Stock Fund
22	is hereby reduced by \$25,000,000, such sum to be covered
23	into the Treasury immediately upon approval of this Act.

1	TITLE VI
2	DEPARTMENT OF THE AIR FORCE
3	AIRCRAFT AND RELATED PROCUREMENT
4	For construction, procurement, and modification of air-
5	craft and equipment, armor and armament, spare parts and
6	accessories therefor; specialized equipment; expansion of
7	public and private plants, Government-owned equipment and
8	installation thereof in such plants, erection of structures, and
9	acquisition of land without regard to section 1136, Revised
10	Statutes, as amended, for the foregoing and other purposes,
11	and such land, and interests therein, may be acquired and
12	construction prosecuted thereon prior to the approval of title
13	by the Attorney General as required by section 355, Revised
14	Statutes, as amended; industrial mobilization, including main-
15	tenance of reserve plants and equipment and procurement
16	planning; and other expenses necessary for the foregoing
17	purposes, including rents and transportation of things;
18	\$2,760,000,000, to remain available until expended.
19	Major Procurement Other Than Aircraft
20	For procurement of supplies, materials, and equipment,
21	and spare parts therefor, not otherwise provided for; elec-
22	tronic and communication equipment; and the purchase of
23	passenger motor vehicles; \$674,364,000, to remain avail-
24	able until expended.

RESEARCH AND DEVELOPMENT

- 2 For expenses necessary for basic and applied scientific
- 3 research and development, including maintenance, rehabili-
- 4 tation, lease and operation of facilities and equipment, as
- 5 authorized by law, (15)\$409,450,000 \$431,000,000, to
- 6 remain available until expended.

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19

MAINTENANCE AND OPERATIONS

8 For expenses necessary for the maintenance, operation,

9 and administration of the activities of the Air Force,

10 including the Air Force Reserve and the Air Reserve

11 Officers' Training Corps; maintenance, operation, and modifi-

12 cation of aircraft; transportation of things; rents at the seat of

13 government and elsewhere, and in administering the provi-

14 sions of 43 U.S.C. 315q payments of rents may be made

15 in advance; repair of facilities; field printing plants; procure-

16 ment of ambulances; hire of passenger motor vehicles;

17 recruiting advertising expenses; training and instruction of

military personnel of the Air Force, including tuition and

related expenses; pay, allowances, and travel expenses of

20 contract surgeons; utility services for buildings erected at

21 private cost as authorized by law (10 U.S. C. 1346), and

22 buildings on military reservations authorized by Air Force

23 regulations to be used for welfare and recreational purposes;

rental of land or purchase of options to rent land without 1 $\mathbf{2}$ reference to section 3648, Revised Statutes, as amended, use 3 or repair of private property, and other necessary expenses of combat maneuvers; organizational clothing and equipage; 4 civilian clothing not to exceed \$30 in cost for each person upon 5 6 each release from a military prison, each enlisted man discharged other than honorably, each enlisted man sentenced by 7 a civil court to confinement in a civil prison, and each enlisted 8 man interned, or discharged without internment as an alien 9 10 enemy; authorized issues of articles for use of applicants for 11 enlistment and persons in military custody; payment of 12 exchange fees and exchange losses incurred by Air Force 13 disbursing officers or their agents; losses in the accounts of 14 Air Force disbursing officers as authorized by law (31 15 U. S. C. 95a; 50 U. S. C. 1705-1707); burial of the dead as 16 authorized by law (10 U.S. C. 916-916d; 5 U.S. C. 103a), 17 including remains of personnel of the Air Force of the United 18 States who die while on active duty, travel allowances of 19 attendants accompanying remains, and acquisition by lease or 20 otherwise of temporary burial sites; chaplain and other 21 welfare and morale supplies and equipment; conduct of 22schoolrooms, service clubs, chapels, and other instructional, 23 entertainment, and welfare expenses for enlisted men and 24 patients not otherwise provided for; awards and decorations; 25 expenses of courts, boards and commissions; expenses for

- 1 inter-American cooperation as authorized for the Navy by the
- 2 Act of August 2, 1946 (5 U.S. C. 421f), for Latin-Ameri-
- 3 can cooperation; and special services by contract or other-
- 4 wise; (16)\$3,402,792,000 \$3,622,517,000.

5 MILITARY PERSONNEL

For pay, allowances, clothing, subsistence, transporta-6 tion, interest on deposits of enlisted personnel, and travel in 7 kind for cadets and permanent change of station travel for 8 9 all other personnel of the Air Force of the United States on active duty including duty under section 5, National 10 Defense Act, as amended, or section 252 of the Armed 11 Forces Reserve Act of 1952 (50 U.S. C. 1003) (other 12 than personnel of the reserve components, including the Air 13 14 National Guard, on active duty while undergoing reserve 15 training), including commutation of quarters, subsistence 16 supplies for issue as rations to enlisted personnel, and clothing 17 allowances, as authorized by law; and, in connection with 18 personnel paid from this appropriation, for rental of camp 19 sites and local procurement of utility services and other nec-20 essary expenses incident to individual or troop movements 21 (including packing and unpacking and transportation of 22 organizational equipment); ice, meals for recruiting parties, 23 monetary allowances for liquid coffee for troops when sup-24 plied cooked or travel rations, and commutation of rations, 25 as authorized by law, to enlisted personnel, including those

sick in hospitals; transportation, as authorized by law, of 1 dependents, baggage, and household effects of personnel paid 2 from this appropriation; rations for applicants for enlistment, prisoners of war, and general prisoners; subsistence supplies 4. for resale, as authorized by law; commutation of rations, as 5 authorized by regulations, to applicants for enlistment, and general prisoners, while sick in hospitals; subsistence of supernumeraries necessitated by emergent military circum-8 stances; expenses of apprehension and delivery of deserters, 9 prisoners, and members of the Air Force absent without 10 leave, including payment of rewards (not to exceed \$25 in 11 any one case); confinement of military prisoners in non-12 military facilities; and donations of not to exceed \$25 to each 13 14 civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon 15 each release from confinement under court-martial sentence, 16 and to each person discharged for fraudulent enlistment; 17 (17)\$3,356,704,000 \$3,357,000,000. 18

RESERVE PERSONNEL

19

For pay, allowances, clothing, subsistence, and travel for personnel of the Air Force Reserve and the Air Reserve Officers' Training Corps, while on active duty undergoing reserve training or while performing drills or equivalent duty, as authorized by law; and the procurement and issue of uniforms to institutions necessary for the training of the

- 1 Air Reserve Officers' Training Corps, as authorized by law;
- 2 \$28,000,000 (18): Provided, That in addition, the Secretary
- 3 of the Air Force may transfer not to exceed \$5,000,000 to
- 4 this appropriation from any appropriation available to the
- 5 Department of the Air Force for obligation.

6 AIR NATIONAL GUARD

For pay, allowances, clothing, subsistence, transporta-7 tion (including mileage, actual and necessary expenses, or 8 per diem in lieu thereof), medical and hospital treatment and 9 related expenses, for members of the Air National Guard 10 while undergoing Reserve training or while performing drills 11 12 or equivalent duty, as authorized by law; travel expenses (other than mileage) on the same basis as authorized by 13 14 law for Air National Guard personnel on active Federal 15 duty, of Air National Guard commanders while inspecting 16 units in compliance with National Guard regulations when 17 specifically authorized by the Chief, National Guard Bureau; 18 establishment, maintenance, operation, repair, and other 19 necessary expenses of facilities for the training and adminis-20 tration of the Air National Guard, including construction of 21 facilities, and additions, extensions, alterations, improve-22 ments, and rehabilitation of existing facilities, as authorized 23 by the Act of September 11, 1950 (Public Law 783); main-24 tenance, operation, and modification of aircraft; transporta-

1	tion of things; purchase and hire of passenger motor vehicles;
2	procurement and issue to the Air National Guard of the
3	several States, Territories, and the District of Columbia of
4	supplies, materials, and equipment, as authorized by law;
5	and expenses incident to the maintenance and use of sup-
6	plies, materials, and equipment, including such as may be
7	furnished from stocks under the control of agencies
8	of the Department of Defense; \$160,000,000: Provided,
9	(19) That in addition, the Secretary of the Air Force may
10	transfer not to exceed \$9,000,000 to this appropriation from
11	any appropriation available to the Department of the Air
12	Force for obligation: Provided further, That the number of
13	caretakers authorized to be employed under the provisions of
14	law (32 U.S. C. 42) may be such as is deemed necessary
15	by the Secretary of the Air Force.
16	Contingencies
17	For emergencies and military expenses, to be expended
18	on the authority or approval of the Secretary of the Air
19	Force, and such expenses may be accounted for solely on
20	his certificate, \$28,000,000.
21	(20) REDUCTION IN APPROPRIATION
22	AIR FORCE STOCK FUND
23	The amount available in the Air Force Stock Fund is
24	hereby reduced by \$25,000,000, such sum to be covered

into the Treasury immediately upon approval of this Act.

1	TITLE	VII

2	GENERAL PROVISIONS
3	SEC. 701. During the current fiscal year, the Secretary
4	of Defense and the Secretaries of the Air Force, Army, and
5	Navy, respectively, if they should deem it advantageous to
6	the national defense, and if in their opinions, the existing
7	facilities of the Department of Defense are inadequate, are
8	authorized to procure services in accordance with section 15
9	of the Act of August 2, 1946 (5 U.S.C. 55a), but at rates
0	for individuals not in excess of \$50 per day, and to pay in
1	connection therewith travel expenses of individuals, including
2	actual transportation and per diem in lieu of subsistence
13	while traveling from their homes or places of business to
L4	official duty station and return as may be authorized by law
15	Provided, That such contracts may be renewed annually.
6	SEC. 702. Section 3648, Revised Statutes, shall no
17	apply in the case of payments made from appropriations
8	contained in this Act, (1) to payments made in compliance
9	with the laws of foreign countries or their ministerial regu-
20	lations, (2) to payments for rent in such countries for such
21	periods as may be necessary to accord with local custom, or
22	(3) to payments made for tuition.
23	SEC. 703. During the current fiscal year, provisions o
24	law prohibiting the payment of compensation to, or employ

- 1 ment of, any person not a citizen of the United States shall
- 2 not apply to personnel of the Department of Defense.
- 3 SEC. 704. Such military and naval personnel as may be
- 4 detailed for duty with agencies not a part of the Department
- 5 of Defense on a reimbursement basis may be employed in ad-
- 6 dition to the numbers otherwise authorized and appropriated
- 7 for.
- 8 Sec. 705. Appropriations contained in this Act shall
- 9 be available for insurance of official motor vehicles in
- 10 foreign countries, when required by laws of such countries;
- 11 payments in advance of expenses determined by the investi-
- 12 gating officer to be necessary and in accord with local custom
- 13 for conducting investigations in foreign countries incident
- 14 to matters relating to the activities of the department con-
- 15 cerned; reimbursement of General Services Administration
- 16 for security guard services for protection of confidential files;
- and all necessary expenses, at the seat of government of the
- 18 United States of America or elsewhere, in connection with
- 19 (1) instruction and training, including tuition, specifically
- 20 approved by the Secretary of the Department concerned
- 21 and not otherwise provided for, of civilian employees, and
- 22 (2) communication and other services and supplies as may
- be necessary to carry out the purposes of this Act: Provided,
- 24 That no appropriation contained in this Act, and no funds
- ²⁵ available from prior appropriations to component depart-

- 1 ments and agencies of the Department of Defense, shall be
- 2 used to pay tuition or to make other payments to educational
- 3 institutions in connection with the instruction or training of
- 4 file clerks, stenographers, and typists receiving, or prospec-
- 5 tive file clerks, stenographers, and typists who will receive
- 6 compensation at a rate below the minimum rate of pay for
- 7 positions allocated to grade GS-5 under the Classification
- 8 Act of 1949, as amended.
- 9 Sec. 706. Any appropriation available to the Air
- 10 Force, Army, or the Navy may, under such regulations
- 11 as the Secretary concerned may prescribe, be used for ex-
- 12 penses incident to the maintenance, pay, and allowances of
- 13 prisoners of war, other persons in Air Force, Army, or Navy
- 14 custody whose status is determined by the Secretary con-
- 15 cerned to be similar to prisoners of war, and persons de-
- 16 tained in such custody pursuant to Presidential proclamation.
- 17 Sec. 707. Appropriations available to the Depart-
- 18 ment of Defense for the current fiscal year for construc-
- 19 tion or maintenance shall be available for minor construction
- 20 (except family quarters), conversion of and extensions to
- 21 existing structures, and improvements, at facilities of
- the Department concerned, but the cost of any project author-
- 23 ized under this section which is not otherwise authorized
- 24 shall not exceed the following cost limitations, but only one
- 25 allotment shall be made for any one project or unit: (a) any

such project determined by the Secretary of Defense to be 1 urgently required in the interests of national defense, \$200,-2 000; (b) any such project determined by the Secretary of 3 the Department concerned to be urgently required in the 4 interests of national defense, \$50,000; and (c) any other 5 such project, \$25,000: Provided, That the cost limitations 6 of this section shall not apply to amounts authorized to 7 8 be expended for emergency expenses on the approval of the Secretary concerned: Provided further, That the cost of con-9 verting existing structures to family quarters pursuant to the 10 authority contained in this section shall not exceed \$50,000 11 during the current fiscal year at any single facility of the 12 Department concerned. 13 14 SEC. 708. During the current fiscal year, appro-15 priations otherwise available for construction of family 16 quarters for personnel shall not be obligated for such construc-17 tion at a cost per family unit in excess of \$14,040 on housing 18 units for generals; \$12,040 on housing units for majors, 19 lieutenant colonels and colonels, or equivalent; \$11,040 on 20 housing units for second lieutenants, lieutenants, captains, and 21 warrant officers, or equivalent; or \$10,040 on housing units 22 for enlisted personnel, except that when such units are con-23 structed outside the continental United States or in Alaska, 24 the average cost per unit of all such units shall not exceed 25 \$25,850 and in no event shall the individual cost exceed

- 1 \$35,000, except units for the Alaska Communications System
- 2 the individual cost of which shall not exceed \$40,000.
- 3 Sec. 709. Appropriations for the Department of De-
- 4 fense for the current fiscal year shall be available, (a)
- 5 except as authorized by the Act of September 30, 1950
- 6 (20 U.S. C. 236-244), for primary and secondary school-
- 7 ing for dependents of military and civilian personnel of the
- 8 Department of Defense residing on military or naval installa-
- 9 tions or stationed in foreign countries, as authorized for the
- 10 Navy by section 13 of the Act of August 2, 1946 (5 U.S.C.
- 11 421d) in amounts not exceeding an average of (21)\$225
- 12 \$237.50 per student, when the Secretary of the Depart-
- 13 ment concerned finds that schools, if any, available in the
- 14 locality, are unable to provide adequately for the education of
- 15 such dependents; (b) for expenses in connection with admin-
- 16 istration of occupied areas; (c) for payment of rewards as
- 17 authorized for the Navy by the Act of August 2, 1946, for
- 18 information leading to the discovery of missing naval
- 19 property or the recovery thereof; (d) for payment of de-
- 20 ficiency judgments and interest thereon arising out of
- 21 condemnation proceedings.
- SEC. 710. No part of any appropriation contained
- 23 in this Act shall be used directly or indirectly except
- 24 for temporary employment in case of emergency, for the
- 25 payment of any civilian for services rendered by him on the

Canal Zone while occupying a skilled, technical, clerical, 1 2administrative, executive, or supervisory position unless such 3 person is a citizen of the United States of America or of the Republic of Panama: Provided however, (1) That, not-4 5 withstanding the provision in the Act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-6 7 mentioned positions to citizens of the United States from and 8 after the date of approval of said Act, citizens of Panama 9 may be employed in such positions; (2) that at no time 10 shall the number of Panamanian citizens employed in the 11 above-mentioned positions exceed the number of citizens of the United States so employed, if United States citizens are 12 13 available in continental United States or on the Canal Zone; 14 (3) that nothing in this Act shall prohibit the continued 15 employment of any person who shall have rendered fifteen 16 or more years of faithful and honorable service on the Canal 17 Zone; (4) that in the selection of personnel for skilled, 18 technical, administrative, clerical, supervisory, or executive 19 positions the controlling factors in filling these positions shall 20 be efficiency, experience, training, and education; (5) that 21 all citizens of Panama and the United States rendering 22 skilled, technical, clerical, administrative, executive, or 23 supervisory service on the Canal Zone under the terms of 24 this Act (a) shall normally be employed not more than 25 forty hours per week, (b) may receive as compensation

equal rates of pay based upon rates paid for similar employment in continental United States plus 25 per centum; 2 (6) this entire section shall apply only to persons employed 3 in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly 5 by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in 8 part by the United States Government: Provided further, That the President may suspend from time to time in whole or in part compliance with this section if he should deem such course to be in the public interest. 11 SEC. 711. Insofar as practicable, the Secretary of 12 Defense shall assist American small business to participate 13 14 equitably in the furnishing of commodities and services 15 financed with funds appropriated under this Act by making available or causing to be made available to suppliers in the United States, and particularly to small independent enter-18 prises, information, as far in advance as possible, with re-19 spect to purchases proposed to be financed with funds 20 appropriated under this Act, and by making available or 21 causing to be made available to purchasing and contracting 22 agencies of the Department of Defense information as to 23 commodities and services produced and furnished by small 24 independent enterprises in the United States, and by otherwise helping to give small business an opportunity to par-

- 1 ticipate in the furnishing of commodities and services
- 2 financed with funds appropriated by this Act.
- 3 SEC. 712. No appropriation contained in this Act
- 4 shall be available for expenses of operation of messes
- 5 (other than organized messes the operating expenses of
- 6 which are financed principally from nonappropriated funds)
- 7 at which meals are sold to officers or civilians except under
- 8 regulations approved by the Secretary of Defense, which
- 9 shall (except under unusual or extraordinary circumstances)
- 10 establish rates for such meals sufficient to provide reimburse-
- 11 ment of operating expenses and food costs to the appropria-
- 12 tions concerned: Provided, That officers and civilians in a
- 13 travel status receiving a per diem allowance in lieu of subsis-
- 14 tence shall be charged at the rate of not less than \$2.25 per
- 15 day: Provided further, That for the purposes of this section
- 16 payments for meals at the rates established hereunder may
- 17 be made in cash or by deductions from the pay of civilian
- 18 employees.
- 19 Sec. 713. No part of any appropriation contained
- 20 in this Act shall be available until expended unless
- 21 expressly so provided elsewhere in this or some other appro-
- 22 priation Act.
- Sec. 714. No part of any appropriation con-
- 24 tained in this Act shall be available for or on account of the
- 25 supply or replacement of table linen, dishes, glassware, silver,

1 and kitchen utensils for use in the residences or quarters of

2 officers on shore (other than for field messes, messes tem-

3 porarily set up on shore for bachelor officers and officers

4 attached to seagoing or district defense vessels, to aviation

5 units based on seagoing vessels, to the fleet air bases, to the

6 submarine bases, or to landing forces and expeditions), ex-

7 cept in accordance with regulations approved by the Secre-

8 tary of Defense, which shall provide for uniform practices

9 among all of the services.

SEC. 715. Not more than \$40,000,000 of the amounts 10 11 received during the current fiscal year by the Department of Defense as proceeds from the sale of scrap or salvage 12 materials, shall be available during the current fiscal year 13 14 for expenses of transportation, demilitarization, and other 15 preparation for sale or salvage of military supplies, equip-16 ment, and matériel: Provided, That a report of receipts 17 and disbursements under this limitation shall be made quar-18 terly to the Committees on Appropriations of the Congress 19 (22): Provided further, That no funds available to agencies 20 of the Department of Defense shall be used for the operation, 21 acquisition or construction of facilities in the continental limits 22 of the United States for metal scrap baling or shearing or for 23melting or sweating aluminum scrap unless the Secretary of 24 Defense or an Assistant Secretary of Defense designated by 25 him determines, with respect to each facility involved, that

- 1 the operation of such facility must be continued in the na-
- 2 tional interest.
- 3 Sec. 716. During the current fiscal year, the President
- 4 may exempt appropriations, funds, and contract authoriza-
- 5 tions, available for military functions under the Department
- 6 of Defense, from the provisions of subsection (c) of section
- 7 3679 of the Revised Statutes, as amended, whenever he
- 8 deems such action to be necessary in the interest of national
- 9 defense.
- 10 Sec. 717. No appropriation contained in this Act shall
- 11 be available in connection with the operation of commissary
- 12 stores of the agencies of the Department of Defense for the
- 13 cost of purchase (including commercial transportation in the
- 14 United States to the place of sale but excluding all trans-
- 15 portation outside the United States) and maintenance of
- 16 operating equipment and supplies, and for the actual or
- 17 estimated cost of utilities as may be furnished by the Govern-
- 18 ment and of shrinkage, spoilage, and pilferage of merchandise
- 19 under the control of such commissary stores, except as
- 20 authorized under regulations promulgated by the Secretaries
- 21 of the military departments concerned, with the approval of
- 22 the Secretary of Defense, which regulations shall provide
- 23 for reimbursement therefor to the appropriations concerned
- 24 and, notwithstanding any other provision of law, shall pro-
- 25 vide for the adjustment of the sales prices in such com-

missary stores to the extent necessary to furnish sufficient 1 gross revenue from sales of commissary stores to make such 2 reimbursement: Provided, That under such regulations as 3 may be issued pursuant to this section all utilities may be 4 furnished without cost to the commissary stores outside the 5 continental United States and in Alaska: Provided further, 6 7 That no appropriation contained in this Act shall be avail-8 able in connection with the operation of commissary stores within the continental United States unless the Secretary of 9 10 Defense has certified that items normally procured from commissary stores are not otherwise available at a reasonable 11 distance and a reasonable price in satisfactory quality 12 and quantity to the military and civilian employees of the 13 14 Department of Defense. 15 Sec. 718. No part of any appropriation contained 16 in this Act shall be used to pay the salary or wages of any 17 person who engages in a strike against the Government of the 18 United States or who is a member of an organization of 19 Government employees that asserts the right to strike against 20 the Government of the United States, or who advocates, or 21 is a member of an organization that advocates, the over-22 throw of the Government of the United States by force or 23 violence: Provided, That for the purposes hereof an affidavit 24 shall be considered prima facie evidence that the person 25 making the affidavit has not contrary to the provisions of

this section engaged in a strike against the Government of the 1 United States, is not a member of an organization of Govern-2 ment employees that asserts the right to strike against the 3 Government of the United States, or that such person does 4 not advocate, and is not a member of an organization that 5 6 advocates, the overthrow of the Government of the United States by force or violence: Provided further, That any per-7 son who engages in a strike against the Government of the 8 United States or who is a member of an organization of 9 10 Government employees that asserts the right to strike against 11 the Government of the United States, or who advocates, or 12 who is a member of an organization that advocates, the overthrow of the Government of the United States by force or 13 14 violence and accepts employment the salary or wages for 15 which are paid from any appropriation contained in this Act 16 shall be guilty of a felony and, upon conviction, shall be 17 fined not more than \$1,000 or imprisoned for not more than 18 one year, or both: Provided further, That the above penalty 19 clause shall be in addition to, and not in substitution for, any 20 other provisions of existing law. 21 SEC. 719. Hereafter, no part of any money appropriated 22 to the Department of Defense shall be expended under any 23 contract (other than a contract for personal services) 24 entered into after the enactment of this Act unless such con-25 tract provides(1) that the Government may, by written notice to the contractor, terminate the right of such contractor to proceed under such contract if it is found, after notice and hearing, by the Secretary of the military department with which the contract is made, or his designee, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by such contractor, or any agent or representative of such contractor, to any officer or employee of the Government with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing, of such contract: Provided, That the existence of the facts upon which such Secretary makes such findings shall be in issue and may be reviewed in any competent court.

(2) that in the event any such contract is so terminated the Government shall be entitled, (a) to pursue the same remedies against the contractor as it could pursue in the event of a breach of the contract by the contractor, and (b) as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount not less than three nor more than ten times (as determined by the Secretary or his designee) the costs incurred by any such

contractor in providing any such gratuities to any such 1 officer or employee. 2 SEC. 720. No funds appropriated in titles II, IV, V, and 3 VI of this Act shall be used for the payment in excess of 475,000 full-time graded civilian employees (including (a) the full-time equivalent of part-time employment, (b) per-6 sons who are described as "consultants" or who are compensated on a "when actually employed" basis if such persons are employed on a contract basis or are paid on a per diem basis, and (c) persons employed without com-10 pensation if they are reimbursed for expenses) at any 11 one time during the current fiscal year: (23) Provided, That 12 whenever, in the opinion of the Secretary of the Military 13 Department concerned, the direct substitution of graded 14 civilian personnel for an equivalent or greater number of 15 16 military personnel will result in economy without adverse 17 effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such 18 funds as may be required to accomplish the substitution may 19 20 be transferred from the appropriate military personnel ap-21 propriation to, and merged with, the appropriation charged 22 with compensation of such graded civilian personnel Pro-23 vided, That whenever, in the opinion of the Secretary of the

Military Department concerned, the direct substitution of

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- 1 non-military personnel for an equivalent number of military
- 2 personnel will result in economy without adverse effect upon
- 3 national defense, such substitution may be accomplished with-
- 4 out regard to the foregoing limitation, and such funds, as
- 5 may be required to accomplish the substitution, may be trans-
- 6 ferred from the appropriate military personnel appropriation
- 7 to, and merged with, the appropriation charged with the
- 8 compensation of such civilian personnel.
- 9 Sec. 721. Notwithstanding any other provision of law,
- 10 executive order, or regulation, no part of the appropria-
- 11 tions in this Act shall be available for any expenses of
- 12 operating aircraft under the jurisdiction of the Armed
- 13 Forces for the purpose of proficiency flying except in
- 14 accordance with regulations issued by the Secretaries of
- 15 the Departments concerned and approved by the Secretary
- 16 of Defense which shall establish proficiency standards and
- 17 maximum and minimum flying hours for this purpose:
- 18 Provided, That during the fiscal year, without regard to any
- 19 provision of law or executive order prescribing minimum
- 20 flight requirements, such regulations may provide for the pay-
- 21 ment of flight pay at the rates prescribed in section 204 (b)
- 22 of the Career Compensation Act of 1949 (63 Stat. 802) to
- 23 certain officers of the Armed Forces otherwise entitled to
- 24 receive flight pay (1) who have held aeronautical ratings

- 1 or designations for not less than twenty years, or (2) whose
- 2 particular assignment outside the United States makes it im-
- 3 practical to participate in regular aerial flights.
- 4 Sec. 722. No part of any appropriation contained in this
- 5 Act shall be available for expense of transportation, pack-
- 6 ing, crating, temporary storage, drayage, and unpacking
- 7 of household goods and personal effects in excess of eleven
- 8 thousand pounds net in any one shipment: Provided, That
- 9 the limitations imposed herein shall not be applicable in the
- 10 case of members transferred to or serving in stations outside
- 11 the continental United States or in Alaska under orders
- 12 relieving them from a duty station within the United States
- 13 prior to July 10, 1952, and who are returned to the United
- 14 States under orders relieving them from a duty station
- 15 beyond the United States or in Alaska on or after July 1,
- 16 1953.
- 17 SEC. 723. Vessels under the jurisdiction of the De-
- 18 partment of Commerce, the Department of the Army, the
- 19 Department of the Air Force, or the Department of the
- 20 Navy may be transferred or otherwise made available with-
- out reimbursement to any of such agencies upon the request
- 22 of the head of one agency and the approval of the agency
- 23 having jurisdiction of the vessels concerned.
- Sec. 724. None of the funds provided in this Act shall
- 25 be available for training in any legal profession nor for the

- 1 payment of tuition for training in such profession: Provided,
- 2 That nothing contained in this Act shall prohibit persons now
- 3 attending law courses from completing same (24): Provided
- 4 further, That this limitation shall not apply to the off-duty
- 5 training of military personnel as prescribed by section 730 of

17. ()

- 6 this Act.
- 7 SEC. 725. Funds provided in this Act for public infor-
- 8 mation and public relations shall not exceed \$3,500,000.
- 9 Sec. 726. Not more than 20 per centum of the appro-
- 10 priations in this Act which are limited for obligation during
- 11 fiscal year 1955 shall be obligated during the last two
- 12 months of the fiscal year: Provided, That this section shall
- 13 not apply to active duty training of civilian components.
- 14 Sec. 727. During the fiscal year 1955, the agencies
- 15 of the Department of Defense may accept the use of real
- 16 property from foreign countries for the United States in
- 17 accordance with mutual defense agreements or occupa-
- 18 tional arrangements and may accept services furnished by
- 19 foreign countries as reciprocal international courtesies or as
- ²⁰ services customarily made available without charge; and
- 21 such agencies may use the same for the support of the
- ²² United States forces in such areas without specific appro-
- ²³ priation therefor.
- ²⁴ (25)In addition to the foregoing, agencies of the Depart-
- 25 ment of Defense may accept real property, services, and

- 1 commodities from foreign countries for the use of the United
- 2 States in accordance with mutual defense agreements or
- 3 occupational arrangements and such agencies may use the
- 4 same for the support of the United States forces in such
- 5 areas -without -specific appropriation therefor: Provided,
- 6 That within thirty days after the end of each quarter the
- 7 Secretary of Defense shall render to the Committees on
- 8 Appropriations of the Senate and the House of Representa-
- 9 tives and to the Bureau of the Budget a full report of
- 10 such property, supplies, and commodities received during
- 11 such quarter.
- 12 Sec. 728. During the current fiscal year, appropriations
- 13 available to the Department of Defense for research and de-
- 14 velopment may be used for the purposes of section 4 of the
- 15 Act of July 16, 1952 (66 Stat. 725).
- 16 (26) Sec. 729. Hereafter, no part of the funds appropriated
- 17 to the Department of Defense shall be available for the pay-
- 18 ment to any person in the military service who is resident of
- 19 a United States Territory or possession, of any foreign duty
- 20 allowances above the authorized allowances for comparable
- 21 rating in the continental United States unless such person
- 22 is serving in an area outside the Territory or possession of
- 23 which he is a resident.
- 24 Sec. 729. Hereafter, no part of the funds appropriated
- 25 to the Department of Defense shall be available for the pay-

ment to any person in the military service who is resident of a 1 United States Territory or possession, of (1) any foreign 2 duty pay as prescribed in section 206 of the Career Compen-3 sation Act (Public Law 351, Eighty-first Congress), unless 4 such person is serving in an area outside the Territory or 5 possession of which he is a resident, or (2) authorized station 6 allowances for quarters and subsistence unless such person is 7 serving in an area outside the Territory or possession of which 8 he is a resident or in Alaska or in the Territory of Hawaii. SEC. 730. No appropriation contained in this Act shall 10 be available for the payment of more than 75 per centum 11 of charges of educational institutions for tuition or expenses 12 for off-duty training of military personnel, nor for the pay-13 ment of any part of tuition or expenses for such training for 14 commissioned personnel who do not agree to remain on 15 active duty for two years after completion of such training. 16 (27) SEC. 731. No part of the funds appropriated herein 17 shall be expended for the support of any student in basic 18 courses of the senior divsion, Reserve Officers Training 20 Corps, who has not executed a certificate of loyalty in such 21 form as shall be prescribed by the Secretary of Defense. 22 (28) Sec. 731. Those appropriations or funds available to 23 the Department of Defense or any agency thereof which 24 would otherwise lapse for expenditure purposes on June 30, 25 1954, and designated by the Secretary of Defense not later

- 1 than July 31, 1954, shall remain available until June 30,
- 2 1955, to such department or agency solely for expenditure
- 3 for the liquidation of obligations legally incurred against such
- 4 appropriation during the period for which such appropria-
- 5 tion was legally available for obligation: Provided, That
- 6 nothing in this section shall be construed to change the au-
- 7 thority of the Department of Defense, or any agency thereof,
- 8 and of disbursing officers and authorized certifying officers
- 9 to apply for a decision in advance of payment and the
- 10 duty of the Comptroller General to render such decision,
- 11 or the authority of the General Accounting Office to settle
- 12 and adjust proposed payments involving doubtful questions
- 13 of law or fact.
- 14 SEC. 732. Section 4 of the Act of June 29, 1948
- 15 (62 Stat. 1094), is amended by striking the words "in
- 16 April".
- 17 SEC. 733. No part of any appropriation contained
- 18 in this Act shall be available for the procurement of any
- 19 article of food, clothing, cotton or wool (whether in the
- 20 form of fiber or yarn or contained in fabrics, materials, or
- 21 manufactured articles) not grown, reprocessed, reused, or
- 22 produced in the United States or its possessions, except to
- 23 the extent that the Secretary of the Department concerned
- 24 shall determine that a satisfactory quality and sufficient quan-
- 25 tity of any articles of food or clothing or any form of cotton

- 1 or wool grown, reprocessed, reused, or produced in the United
- 2 States or its possessions cannot be procured as and when
- 3 needed at United States market prices and except procure-
- 4 ments outside the United States in support of combat opera-
- 5 tions, procurements by vessels in foreign waters and emer-
- 6 gency procurements or procurements of perishable foods by
- 7 establishments located outside the continental United States,
- 8 except the Territories of Hawaii and Alaska, for the person-
- 9 nel attached thereto: Provided, That nothing herein shall
- 10 preclude the procurement of foods manufactured or processed
- 11, in the United States or its possessions: Provided further,
- 12 That no funds herein appropriated shall be used for the pay-
- 13 ment of a price differential on contracts hereafter made for
- 14 the purpose of relieving economic dislocations.
- 15 (29) SEC. 734. None of the funds appropriated by this
- 16 Act may be used in the preparation or prosecution of the
- 17 pending suit in the United States District Court for the
- 18 Southern District of California, Southern Division, by the
- 19 United States of America against Fallbrook Public Utility
- 20 District, a public service corporation of the State of California,
- 21 and others.
- Sec. (30)735 734. None of the funds appropriated in
- 23 this Act shall be used for the purchase of passenger auto-
- 24 mobiles except for replacement.
- Sec. (31)736 735. None of the funds appropriated in

- 1 this Act shall be used for the construction, replacement, or
- 2 reactivation of any bakery, laundry, or dry-cleaning facility
- 3 in the United States, its Territories, or possessions, as to
- 4 which the Secretary of Defense does not certify, in writing,
- 5 giving his reasons therefor, that the services to be furnished
- 6 by such facilities are not obtainable from commercial sources
- 7 at reasonable rates.
- 8 Sec. (32)737 736. In order more effectively to adminis-
- 9 ter the funds appropriated to the Department of Defense,
- 10 the President, to the extent he deems it necessary and appro-
- 11 priate in the interest of national defense, may authorize posi-
- 12 tions in the Department of Defense to be placed temporarily
- 13 in grades 16, 17, and 18 of the General Schedule of the
- 14 Classification Act of 1949 in accordance with the procedures
- 15 and standards of that Act, and such positions shall be addi-
- 16 tional to the number authorized by section 505 of that Act.
- 17 Under authority herein, grades 16, 17, and 18 in the Depart-
- 18 ment of Defense may be increased only to the extent that
- 19 the total of such grades in the Department of Defense shall
- 20 not exceed two hundred.
- 21 (33) Sec. 737. Funds heretofore or hereafter allocated to the
- 22 Department of Defense from any appropriation for military
- 23 assistance (except funds obligated directly against any such

- 1 appropriation for offshore procurement or other purposes)
- 2 shall be accounted for by geographic area and by country
- 3 solely on the basis of the value of materials delivered and
- 4 services performed (such value to be determined in accord-
- 5 ance with the applicable provisions of law governing the
- 6 administration of military assistance). Within the limits of
- 7 funds so allocated, the Department of Defense is authorized to
- 8 incur, in applicable appropriations, obligations in anticipa-
- 9 tion of reimbursement from such allocation, and no funds so
- 10 allocated shall be withdrawn by administrative action until
- 11 the Secretary of Defense shall certify that they are not
- 12 required for liquidation of obligations so incurred, or unless
- 13 the President in writing shall direct such action. Reimburse-
- 14 ment from such allocation shall be made in accordance with
- 15 the applicable provisions of law.
- 16 (34) SEC. 738. None of the funds appropriated in this Act
- 17 shall be used except that, so far as practicable, all contracts
- 18 shall be awarded on a competitive basis to the lowest re-
- 19 sponsible bidder.
- 20 (35)SEC. 739. During the fiscal year 1955, appropriations
- 21 of the Department of Defense shall be available for reim-
- 22 bursement to the Post Office Department for payment of
- 23 costs of commercial air transportation of military mail be-
- 24 tween the United States and foreign countries.

- 1 Sec. (36)738 740. This Act may be cited as the
- 2 "Department of Defense Appropriation Act, 1955."

Passed the House of Representatives April 29, 1954.

Attest:

LYLE O. SNADER,

Clerk.

Passed the Senate with amendments June 17 (legislative day, June 11), 1954.

Attest:

J. MARK TRICE,

Secretary.



AN ACT

Making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

JUNE 17, 1954

Ordered to be printed with the amendments of the Senate numbered

Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only) Issued June 13, 1954
For actions of June 17, 1954
83rd-2nd, No. 112

CONTENTS

Adjournment5	Foreign aid28	Personnel15,17
Appropriations6.7	Forestry19	Prices, support23
Banking and currency25	Furniture3	Section 32 fundsl
Budgeting24	Housing, farm2	Statistics27
	Imports4	
Education9.16	Lands, public26	Surplus commodities11,22
	reclamation	
	Degislative program5,13	
Farm program8	Loans, farm	Wildlife18
Fishery products1	A Park	

HIGHLIGHTS: House passed bill to earmark Sec. 32 funds for fishery products. House voted to send housing bill to conference. House passed bill to authorize GSA motor-vehicle pools and furniture control. Senate committee worked on farm program bill. Senate completed congressional action on independent offices appropriation bill. Rep. Cannon criticized flexible price supports.

HOUSE

- 1. FISHERY PRODUCTS. Passed without amendment S. 2302, which earmarks part of the Sec. 32 funds for education, publicity, and research in connection with fishery products until June 30, 1957, but limits the amount of expenditures for the purposes of the bill to 3,000,000 annually, and limits the amount which may be used to purchase fish and other seafoods to 1,500,000 (pp. 8029-31). This bill will now be sent to the President.
- 2. HOUSING LOAMS. Agreed, 360-19, to a resolution to send to conference H. R. 7839, the omnibus housing bill which includes a provision to continue the farm housing program administered by this Department (pp. 8808-24). Senate conferees have been appointed.
- 3. VEHICLES; FURNITURE. Passed with amendments (essentially as reported) H. R. 8753, to authorize GSA to establish and operate motor vehicle pools and systems and to provide office furniture and furnishings when agencies are moved to new locations, to direct the GSA to report the unauthorized use of Government motor. vehicles, and to authorize CSC to regulate operators of Government motor vehicles (pp. 8024-9).
- 4. IMPORTS. The Pays and Means Committee reported without amendment H. R. 9315, to extend on a reciprocal basis the period of free entry of Philippine articles into the U. S. (H. Rept. 1887)(pp. 8007, 8039).
- 5. ADJOURNED until Mon., June 21 (p. 8039). Legislative program for next week, as

announced by Rep. Halleck: Joh., Consent Colendar, Virgin Islands organic act; Tues, Frivate Calendar; followed by miscellaneous bills including the foreignaid and farm-program bills if reported in time (p. 8031).

SHHATE

- 6. INDEPENDENT OFFICES APPROPRIATION BILL, 1955. Agreed to the conference report on this bill, H. R. 8583, and acted on amendments which had been reported in disagreement (pp. 7971-2). This bill will now be sent to the President.
- 7. DEFENSE APPROPRIATION BILL, 1955. Passed with amendments this bill, H. R. 8873 (pp. 7969-88, 7991-3, 7996-8). Senate conferees were appointed (p. 7998).
- 3. FARL PROGRAT. In considering S. 3052, the overall farm program bill, the Agriculture and Forestry Committee announced that it "had tentatively agreed to (1) authorize the CCC to pay processing and transportation costs of surplus food commodities distributed within the U. S., and to portside for those being distributed abroad; (2) retain present law whereby penal and corrective institutions are not eligible to receive surplus food commodities without cost; and (3) a provision that beginning in 1956 the parity price for basic commodities cannot be reduced more than 5 percent per year during transition from old parity formula to the new parity formula."
- 9. EDUCATION. Passed as reported H. R. 7434, to establish a National Advisory Committee on Education, and H. R. 9040, to authorize cooperative research in education (pp. 8005-6).
- 10. RECIAMATION. The Interior and Insular Affairs Committee reported with amendment S. J. Res. 165, to authorize the Glendo unit, Wyo., Missouri Basin project (S. Rept. 1615) (p. 7951).
- 11. SURPLUS CONFODITIES. S. 2475, the surplus-disposal bill, was ordered printed to show House amendments (p. 7959).
- 12. ECONOFIC POLICIES. Sen. Carlson commended the Administration's economic policies, including pricing, budgeting, taxation, and foreign trade, and Sen. Bush inserted a New York Times article on this subject (pp. 7960-1).
- 13. LEGISLATIVE PROGRAM. Sen. Knowland announced that today the Senate is to consider H. R. 6435, to extend the Commodity Exchange Act to onions (which was made the unfinished business), and S. 3487, to authorize banks of cooperatives to issue consolidated debentures. He indicated that the trade agreements bill would be brought up Mon. and that there might also be a calendar call. (pp. 7998, 8006.)

BILLS INTRODUCED

- by Sen. Anderson (for himself and others),
- 14. ELECTRIFICATION. S. 3623 and 3624, /to provide for power generation at Cougar and Green Peter Dams; to Public Works Committee (p. 7952). Remarks of author (pp. 7952-7).
- 15. PERSONNEL. S. 3627, by Sen. Carlson, to correct a "loophole" in the Civil Service Retirement Act; to Post Office and Civil Service Committee (p. 7952). Remarks of author (pp. 7957-8).
- 16. EDUCATION. S. 3628 and 3629, by Sen. Upton (for himself and others), to amend and make permanent the program of school assistance in Federally affected

grandfather carrier like American Airlines to walk into the Board and in 8 minutes, without public hearing, rule or regulation, obtain an exemption worth how much, nobody can

DEPARTMENT OF DEFENSE APPRO-PRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Dela-

ware [Mr. WILLIAMS]. Mr. WILLIAMS. Mr. President, I notice that the Senator in charge of the bill [Mr. FERGUSON] is temporarily absent from the Chamber. He is expected to return in a few moments, and I do not wish a vote on my amendment until

he does return.

The purpose of my amendment is very simple. All it attempts to do is to spell out the provision that none of the funds appropriated in this act shall be used unless, so far as practicable, all contracts are awarded on a competitive basis to the lowest responsible bidders. This is to stop the present practice in awarding contracts of giving consideration not so much to the lowest responsible bid but rather to the employment situation in certain areas. This is not a make-work bill. I feel that contracts covered by the bill should be awarded on a businesslike basis.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield. Mr. PASTORE. I wish to say at the outset that I am opposed to this type of amendment, because I think the present system has worked well. The distinguished Senator from Delaware has been a very astute and successful investigator. Can he tell us of any case in which this practice has led to abuse?

Mr. WILLIAMS. Yes; I think so. A few months ago there was a case in which the Navy called for the submission of bids on either 2 or 3 destroyers. Various bids were submitted. In this particular case the lowest bid was submitted by a shipyard in Bath, Maine. The next lowest was from a shipyard in Quincy, Mass., and was about \$8 million higher than the bid from the shipyard in

The Navy awarded the contract to the shipyard in Quincy on the basis that it had less work and that there was more unemployment in that area. I think there was some slight downward adjustment of the price but not nearly enough to offset the difference between the two bids. The shipyard in Maine had been recognized by the Navy, and is recognized today, as a responsible bidder. At the time of the bid it was working on other Navy contracts for the same type of ship, and it has since had contracts awarded to it.

I see no justification for having awarded this contract to the shipyard at Quincy at a cost of \$8 million higher than the bid of the shipyard in Maine.

Mr. PASTORE. Is this the case which was discussed on the floor of the Senate the other day by the Senator from Maine [Mrs. SMITH]?

Mr. WILLIAMS. It is.
Mr. PASTORE. Is this the only instance the Senator can cite at this time? Mr. WILLIAMS. It is the only example I call to mind at this particular time.

Mr. PASTORE. Does not the Senator feel that it is somewhat the responsibility of the National Government to alleviate distress situations in certain areas where there is a great amount of unemployment?

Mr. WILLIAMS. Yes; but not through a bill of this kind. We are enacting a \$34 billion defense bill. The purpose is to build the necessary military equipment for our Armed Forces. This is not a make-work bill. The purpose is not to award contracts in this or that area on the basis of unemployment.

The reason I use the phrase "so far as practicable" in my amendment is that there are instances in connection with our national defense program in which it would not be practicable or feasible for the Government to solicit bids. One such example is in the atomic energy field. It would not be wise to call for bids in connection with certain contracts and certain purchases. In such cases the Secretary of Defense should have discretionary authority.

By the same token, if the lowest bid comes from a certain area, and if in another area there is distress caused by unemployment, we would have no objection to the higher bidder, provided he is responsible, renegotiating his bid

and submitting a bid which is as low as or lower than the lowest responsible bid on record. I would have no objection to the Secretary of Defense considering such a bid on a renegotiated basis, provided the cost to the Government was

no greater.

Mr. PASTORE. Does the Senator believe that such leeway is permitted by the language of his amendment?

Mr. WILLIAMS. If the Senator has any suggestion as to the language of the amendment, or any other suggestions. I should be glad to consider them. I have stated previously in discussing similar amendments that I think we must leave some discretionary authority with the Secretary of Defense. At the same time I feel that it is our responsibility in the Congress to spell out exactly what we wish to do. I do not believe that the Secretary of Defense should award a contract to the higher bidder. Surely an unemployment area, whether it be in Rhode Island, Delaware, or any other State, can compete on an equal basis with any other area. If it cannot compete with other areas, then I say again we are not debating a make-work bill. We do not build tanks for the mere purpose of keeping men employed. We have a tank factory in the State of Delaware which I should like to see in operation, but if we do not need the tanks they should not be built.

Mr. PASTORE. Does the Senator intend by his amendment to provide that if, in a State where there is widespread unemployment a responsible bidder submits a bid which is slightly higher than

the lowest bid, and if the higher bid matches the lowest bid, the Defense Department would have the right to grant the contract to the bidder in the distressed area?

Mr. WILLIAMS. I beg the Senator's pardon, I did not quite understand

his question.

Mr. PASTORE. Does the Senator mean by the language of his amendment that if in a particular State there is widespread unemployment—a distressed area, so to speak-and a bidder in that State submits a bid which is slightly higher than the lowest bid, and if the higher bidder matches the lowest bid, would the Defense Department under the Senator's amendment have the right to award the contract to the bidder in the distressed area?

Mr. WILLIAMS. In a situation such as described by the Senator from Rhode Island, does not the Senator believe that in such an area, whether it be Rhode

Island or Delaware-

Mr. PASTORE. I am not speaking about Rhode Island.

Mr. WILLIAMS. Let us take Delaware, then, as an example. If there is so-called widespread unemployment. why could not the bidder in such an area bid on a competive basis as low as the other bidder?

If we are to take a position otherwise, we are, in effect, saying to a company in a certain area, "Regardless of how high you may bid, we will award the contract in your area, because in your area there is unemployment."

Mr. BUSH. Mr. President, will the Senator yield?

Mr. PASTORE. All I am trying to find out is whether the Senator's answer

Mr. WILLIAMS. The answer is as I already gave it. I said a contract should not be awarded based upon the record of unemployment in an area without due regard to the lowest bid submitted.

Mr. BUSH. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield. Mr. BUSH. What I have to say is apropos of what the Senator from Rhode Island has been saying, with respect to a bid in a distressed area not being as low as a bid made in some other area. It must be realized that in an area where there is a great deal of activity the cost of production goes down with the increase in production, whereas in an area which is unfortunate enough to have lost considerable business for one reason or another, and, therefore, may be called a distressed area, industrial concerns are not perhaps in as strong a competitive position as are those operating where there is a great deal of business.

It does not seem to me that the suggested language in the amendment of the Senator from Delaware gives sufficient leeway to the Defense Department to enable it to recognize such a situation. In other words, the tendency under the proposed amendment would be to load the work more and more into an area where there is considerable business already. I do not believe that would be desirable.

Mr. WILLIAMS. That is not my intention. I will ask either Senator if he feels that the practice followed in awarding the shipbuilding contracts to the Quincy, Mass., yard, at a cost of \$8 million higher than it would have been if awarded to the other responsible bidder, whose bid was on the desk of the Secretary of Defense at the time the contract was awarded, is good business pratice?

Mr. PASTORE. I do not wish to put myself in the position of defending such action, because, for one, I do not know

anything about it.

Mr. WILLIAMS. That is my question.

Mr. PASTORE. The only question I am raising is that we must recognize the fact that that there are certain areas in the country in which, for reasons too numerous to mention, there is wide-spread unemployment. After all, only a fraction of the contracts involved can be awarded to such areas. I understand that the practice has been, even though a bid coming from a distressed area might be slightly higher than one coming from an area where there is full employment, a bidder in the distressed area must match the low bid. I do not see where such a practice has done any harm, if the system has been carried out fairly and honestly.
Mr. WILLIAMS. The situation is not

as the Senator describes it. The con-tract in the case I have cited was awarded to the second or third highest bidder and was not awarded on the basis of meeting the lowest bid on a renegotiated basis, but the Government

paid \$8 million more.

I see no justification for such a waste

of the taxpayers' money.

The Senator from Rhode Island asked me to name a case. I gather from his remarks that he is not defending the transaction I cited. Now I should like to reverse the question and ask him to name a case where an area has suffered because sound business practices were followed in awarding Government contracts. Can the Senator name any particular case?

Mr. PASTORE. No; I cannot. However, let me ask my question again. If in a distressed area a bid is made which is slightly higher than the lowest bid, but the bidder in the distressed area matches the lowest bid, is it the intent of the amendment to give the Department of Defense discretion to award the contract to the bidder in the distressed area? I am talking about the same amount of money. I do not want the Government to pay any more money to one firm than to another firm for the same quality and quantity of work. am not in favor of such a practice at all.

Mr. WILLIAMS. If there are two responsible bidders, and one is just as low as the other, I believe the contract should be awarded in the area which has the greater amount of unemployment.

Mr. PASTORE. Provided the bids are identical?

Mr. WILLIAMS. That is what the Senator said. The Government was not to pay more.

Mr. PASTORE. No; I did not say that at all. I have not said that at all.

Mr. BUSH. The Senator from Rhode Island said where one bid was slightly higher.

Mr. PASTORE. Let us assume that there is a margin of 10 cents.

Mr. WILLIAMS. Just a moment,

Mr. PASTORE. May I ask my question?

Mr. WILLIAMS. I will yield for a question in a moment. Let us not become picayunish when a \$35 billion bill is under consideration by talking about 10 cents. The Senator from Rhode Island has not named a single case where harm was done under the conditions I have mentioned. On the other hand, I have named a case. Let us talk about the Quincy Shipyard case, where there was an \$8 million differential. Let us talk about an actual case.

Mr. PASTORE. I do not mean to be impertinent.

Mr. WILLIAMS. Then let us not talk about 10 cents but keep to the facts.

Mr. PASTORE. I do not mean to be impertinent with the distinguished Senator from Delaware. I am asking a question.. I am trying to find out what the amendment means.

Mr. WILLIAMS. The amendment means that the Defense Department should not award a contract which is \$8 million higher than another responsible bid which is lying on the Defense Department's desk at the same time the contract is awarded. I am trying to stop such a procedure.

Will the Senator Mr. PASTORE.

yield for a question?

Mr. WILLIAMS. I yield. Mr. PASTORE. If in a State there is widespread unemployment and a bidder in that State submits a bid which, on a \$10 million contract, is 10 cents higher than that of another responsible bidder in a State where there is no unemployment, does the amendment mean that the Defense Department must give the contract to the bidder in the prosperous State?

Mr. WILLIAMS. I should like to ask the Senator if he has ever seen a difference of 10 cents in a multi-million-dollar contract?

Mr. PASTORE. I have seen a great many of them in which a fraction of a dime was involved, or a fraction of a nickel, or a fraction of a penny. The law is the law. The question is, what does the amendment mean?

Mr. WILLIAMS. It means that the contract must be awarded to the lowest responsible bidder and you know that we are not talking about a difference of 10 cents on a multi-million-dollar bid. We are speaking about the kind of contract I have cited. If the Senator has in mind any language which would be more effective that the language of my amendment, I ask him to suggest it.

Mr. CHAVEZ. Mr. President-

Mr. BUSH. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. The Senator from Rhode Island has made it clear that he does not want the Government to pay any more money than is necessary. If the Senator believes my amendment does not do what I have in mind, I would suggest that he propose language which would give the right to the Secretary of Defense to renegotiate bids. I said I have no objection to giving the Secretary of Defense the right, after receiving bids, if he believes for some reason it is better to award the contract in one area rather than in another area for unemployment reasons, and if the bidder in such an unemployment area is willing to renegotiate his bid and resubmit it by making it as low as or lower than the bid of the other responsible bidder, to awarding the contract on that basis.

Mr. PASTORE. Would the Senator from Delaware accept my suggestion to delete from the amendment the words "so far as practicable," and substituting in lieu thereof the words "unless in the public interest and welfare"?

Mr. WILLIAMS. No; I would not do that, because this is not a welfare bill.

Mr. PASTORE. But it may be that the national interest is involved.

Mr. WILLIAMS. I most respectfully suggest to the Senator from Rhode Island, because he is a lawyer, that he read the act, and he will see that the President of the United States can declare an emergency to exist and override the entire section. He has that power.

Mr. BUSH. Mr. President, will the

Senator from Delaware yield?

Mr. WILLIAMS. I yield. Mr. BUSH. Would the Senator accept an amendment which would strike out the words "so far as practicable" and substitute therefor the words "unless in the public interest," dropping out the word "welfare"?

Let me amplify my question a little bit. Occasions may arise, indeed, frequently, where it would be in the public interest not to award a contract to the lowest bidder, not only for the reasons stated by the Senator from Rhode Island, but because in the case of large operations there must be planning and technical staffs, and if those staffs are allowed to disintegrate because of lack of business, replacement becomes almost impossible. Our budget is likely to be large for a great many years, and it seems to me that the Secretary of Defense should have some discretion in the matter. He should not be absolutely limited and required to award a contract to the lowest responsible bidder.

Mr. WILLIAMS. I will say to the Senator from Connecticut that while the Defense Department has not endorsed this amendment, they would prefer the words "so far as practicable" to remain in the amendment.

Mr. BUSH. But I do not know what they mean.

Mr. WILLIAMS. I think such an amendment as the Senator suggests would not accomplish the purpose which he intends to accomplish. The "national interest" clause could be interpreted as authority to take into consideration the unemployment situation as an excuse to disregard the lowest bid. That is what I am trying to prevent.

I would have no objection to the proper language being incorporated in the bill which would confer upon the Secretary of Defense authority, in the event he felt it was better to renegotiate with a bidder and award the contract to a bidder, in a so-called distressed area provided that

the contractor in that area was willing to meet the lowest bid. I am willing to give that discretionary authority to the Secretary of Defense. If the Senator will write the language, I shall be glad to accept it.

Mr. PASTORE. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS. I yield. Mr. PASTORE. If the Senator is intent on retaining the words "so far as practicable," would he agree to an amendment that would read, "so far as practicable in the public interest"?

Mr. WILLIAMS. I think, if the Senator will read the law, he will find that the President of the United States has adequate authority to declare that in the public interest he will waive this entire section of the law. He can do so by declaring a national emergency.

Mr. PASTORE. I am afraid not, if we say that it is the desire of the Congress of the United States to give these awards to the lowest responsible bidder. We should make a record on the Senate floor to the effect that in certain cases where there may be extenuating circumstances, it would be better in the public interest to award a bid to a somewhat higher bidder in an area where there are many workers available to do the work quickly and well, and that the defense department by law would have the discretion to do so.

Mr. -WILLIAMS. The Secretary of Defense made the statement that he had agreed to award a contract to the Quincy Shipyards in what he thought was the hest interest of the Government. I did not agree with him, but I respect his position. I think Congress should spell out clearly whether we intend these contracts to be awarded on a competitive basis and to the lowest bidders, or to be awarded merely on the basis of the need of work in a certain area.

We should not adopt a policy which would encourage Senators to make speeches exaggerating the unemployment situation in their areas for the purpose of persuading the Secretary of Defense to award contracts in their States. This is not a relief bill.

Mr. KUCHEL. Mr. President, will the Senator from Delaware yield to me for a few moments, without losing his right to the floor?

Mr. WILLIAMS. With that understanding, I yield to the Senator from California.

MODERNIZATION OF MERCHANT VESSELS IN THE MOTHBALL FLEET—ADDITIONAL COSPONSOR OF BILL

Mr. KUCHEL. Mr. President, earlier this month, while I was unable to be in the city, the senior Senator from Maryland [Mr. BUTLER], in company with a number of our colleagues, introduced a bill to set in motion a sorely needed program to modernize a number of merchant vessels in the Nation's mothball fleet and make sure that our second line of defense does not deteriorate to such a point that an emergency would find the United States tragically unprepared.

That bill is S. 3546, to provide an immediate program for the modernization and improvement of such merchant-type vessels in the reserve fleet as are necessary for national defense, I now ask unanimous consent to have my name included as one of the cosponsors. I have received the consent of the Senator from Maryland.

Since my State has a long history of participation in the Nation's maritime activities, I welcome this proposal. It would make possible a type of national security insurance which this country should consider a prudent investment. I deeply appreciate the generous permission of the senior Senator from Maryland to be included as a cosponsor of the bill, which I hope will be reported favorably and passed during the present session.

The plan to improve and put in up-todate condition some 200 ships now in the decommissioned reserve should be authorized for a variety of compelling reasons. I believe this form of insurance, as I view it, is an economical way of keeping in readiness a vital segment of the country's tremendous production potential that was the eventual key to success in World War II. At the same time it will strengthen the peacetime economy which all of us always are striving to promote.

The role played by California men and women during World War II in turning out ships of all types is well known. However, in many respects superhuman effort was required to achieve the record of which the people of my State are so proud. By enacting legislation such as the Emergency Ship Repair Act to which I have referred I hope it will be possible in the unfortunate event of other troubles to reduce the difficulties and problems that had to be surmounted between 1941 and 1945. I even dare to voice a hope that by such a modest expenditure we may register progress in discouraging any prospective aggressor from adding to the present tensions of the world.

I am not an alarmist, and I fervently hope the existing pressures can be eased. Yet I am convinced this country would be shortsighted in the extreme to overlook any precaution, any possible source of strength, that might equip us for any unfavorable situation that might develop and threaten our well being and our security.

Enactment of the emergency ship repair bill would have two immediate and tremendously valuable results. As pointed out recently by Rear Adm. B. E. Manseau, Deputy Chief of the Navy's Bureau of Ships, it would benefit this country's distressed shipbuilding and ship repair industry and at the same time augment the strength-in-being of our reserve merchant marine which would be indispensable in the event of an outbreak of hostilities.

On every one of our coasts and on the Great Lakes the shipyards on which we must count to keep our overseas lifelines unbroken are confronted with serious problems. As other nations have recovered from the effects of World War II, an expanding ability to supply their own needs and recovering national pride have caused an inevitable decline in the need for ships from American yards. For nearly a decade now, the declining operations of our shipyards have had alarming and far-reaching consequences in the dispersion of the skilled forces, trained in one of the most highly specialized types of work, who are the backbone of this essential industry.

Our national experience in World War II and Korea, when the logistic support furnished by American shipping made the merchant marine a true fourth arm of national defense, demonstrated conclusively the dependence our Military Establishment puts on the ships and men constituting this Reserve on which the United States has made tremendous demands twice in only a little more than 10 years.

I realize that some naval construction is going on and planned for the future. I am aware that the Administration has proposed building a handful of new passenger vessels. But shipbuilding and ship repair work has declined to such a point that week by week and day by day workers are forced to move to other areas and to look for jobs in other industries. At the same time, the hundreds of ships in the mothball fleets are becoming more and more outmoded. a new emergency should happen, our defense forces would be compelled to call into service auxiliaries which would be far from adequate and the men and machinery to put many into shape would not be poised for action.

The importance of carrying on a continuing program of modernizing the craft in our reserve fleet is imposed forcefully on me because California is a coastal State and the lives and prosperity of so many of its people are directly linked with the merchant marine. The bill of which I am proud to become a cosponsor proposes a soundly-conceived formula, at a cost which is entirely within range of our pocketbook. for taking out additional national life insurance which the United States cannot afford to be without.

The PRESIDING OFFICER (Mr. PAYNE in the chair). Without objection, the Senator's name will be added to the bill as a cosponsor.

INDEPENDENT OFFICES APPROPRI-ATION BILL, 1955—CONFERENCE REPORT

Mr. KNOWLAND. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. KNOWLAND. There is at the desk a conference report, which is a privileged matter. I do not believe it will take more than a few minutes to dispose of it. I have consulted with the distinguished minority leader about it, and he has no objection to its consideration. I now ask that the conference report be laid before the Senate.

Mr. BRIDGES. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8583) making appropriations for the Executive Office and

sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER. The report will be read for the information of

the Senate.

The legislative clerk read the report. (For conference report, see proceedings of House of Representatives of June 15, 1954, pp. 7859, 7860, CONGRESSIONAL RECORD.)

The PRESIDING OFFICER. Is there objection to the present consideration

of the report?

There being no objection, the Senate

proceeded to consider the report.

Mr. SMITH of New Jersey. Mr. President, I should like to refer for a minute to the appropriation for the National Science Foundation. I notice in the statement of the House managers, at page 9 in the conference report, the fol-

The committee of conference is agreed that of the total amount provided, not to exceed \$771,000 is available for administrative expenses of the Foundation.

Is my understanding correct that the above statement refers to the amount of this appropriation available for personal services?

Mr. BRIDGES. I may say to the distinguished Senator from New Jersey that the conference has agreed on an appropriation of \$12,250,000. The House had increased last year's amount from \$8 million to \$11 million because of a transfer of \$3 million on basic research from the Department of Defense, and the Senate amendment was to restore the full estimate of \$14 million.

The amount agreed upon will provide about \$11 million for grants for the support of research and for the training of

scientific manpower.

As to the administrative expenses, the conference report states that "not to exceed \$771,000 is available for administrative expenses of the Foundation."

The House report stated:

The committee is of the opinion that the Foundation is overstaffed in administration and it certainly should not increase over the present level. No limitation has been placed on personal services in the bill this year, but funds for increased staff are specifically denied. The Foundation requested \$982,000 for personal services in its budget presentation in 1954, but the committee approved only \$771,000. In its budget for 1955 this agency shows it will spend \$974,000 in 1954 for personal services which is substantially the amount of the request, although only \$8 million of the \$15 million requested was approved. The committee feels this is a disproportionate increase and will be following expenditures for this purpose closely to see if a limitation is necessary in the future.

I understand this language in the House report was discussed during the conference, and I further understand that the \$771,000 referred to was intended to limit only the personal services and was not intended to limit the entire administrative expenses of the Foundation.

It is true that \$771,000 for personal services would mean a reduction from the 1954 level of \$974,000 as stated in the budget, but such reduction is in line with the position of the House. If such reduction is not workable, a request could be considered on the supplemental bill soon to come from the House.

Mr. SMITH of New Jersey. I thank the Senator from New Hampshire for

the explanation.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

The report was agreed to.

The PRESIDING OFFICER laid before the Senate a message from the House of Representatives announcing its action on certain amendments of the Senate to House bill 8583, which was read, as follows:

IN THE HOUSE OF REPRESENTATIVES, U. S. June 16, 1954.

Resolved, That the House recede from its disagreement to the amendments of the Senate numbered 7, 11, 12, 21, 35, and 38 to the bill (H. R. 8583) making appropriations for the Executive Office and sundry independent executive bureaus, boards, commissions, corporations, agencies, and offices, for the fiscal year ending June 30, 1955, and for other purposes, and concur therein;

That the House recede from its disagreement to the amendment of the Senate numbered 8, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert; "rental in or near the District of Columbia only if no suitable Government-owned space is available in such area as determined by the General Services Administration."

That the House recede from its disagreement to the amendment of the Senate numbered 22, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: "the salary of a special counsel, but not in addition to staff otherwise authorized, at the salary

rate of grade GS-18 so long as such position is occupied by the initial incumbent there-

That the House recede from its disagreement to the amendment of the Senate numbered 24, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert: ", including additional costs of establishing and operating a central staff for investigation and compliance functions for the Housing and Home Finance Agency, and the Administrator's general supervision and coordination responsibilities under Reorganization Plan Numbered 3 of 1947 shall hereafter carry full authority to assign and reassign functions, to reorganize and to make whatever changes, including the reallocation and transfer of administrative expense funds and authority where applicable, necessary to promote economy, efficiency, and fidelity in the operations of the Housing and Home Finance Agency."

That the House recede from its disagreement to the amendment of the Senate numbered 49, and concur therein with an amendment, as follows: In lieu of the sum of "\$15,-810,000" named in said amendment insert: "\$11,200,000" and in lieu of the date "March 31, 1955" in said amendment insert: "December 31, 1954."

Mr. BRIDGES. I move that the Senate agree to the amendments of the House to the amendments of the Senate numbered 8, 22, 24, and 49.

The motion was agreed to.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The Senator from Delaware [Mr. WILLIAMS] has

the floor.

Mr. CHAVEZ. Mr. President, will the Senator from Delaware yield?

Mr. WILLIAMS. I yield.

Mr. CHAVEZ. I am interested in the amendment of the Senator from Delaware, which reads as follows:

None of the funds appropriated in this ct shall be used except that, so far as practicable, all contracts shall be awarded on a competitive basis to the lowest responsible

I should like to have the opinion of the Senator with respect to whether or not the word "responsible" does not imply discretion in determining whether or not the lowest bidder is No. 1, No. 5. No. 6, or No. 8.

Mr. WILLIAMS. Yes; it does, to a

certain extent.

Mr. CHAVEZ. The amendment does not provide that a contract shall be awarded on a competitive basis to the lowest bidder; it provides that it shall be awarded on a competitive basis to the lowest responsible bidder.

Mr. WILLIAMS. The reason I included that word-and I did so intentionally-was that I could conceive of a situation in which an individual with no responsibility whatever might merely submit a bid. In that event, acceptance of the bid would not be in the interest of the Government or of anyone else.

Mr. CHAVEZ. I think the word is necessary and is a very happy choice.

Mr. WILLIAMS. The discretion of determining who is responsible and who is not responsible is reposed in the Sec-

retary of Defense.
Mr. CHAVEZ. The word "responsible" carries many connotations.

Mr. WILLIAMS. That is correct. Mr. CHAVEZ. It might mean the physical ability to fulfill the contract and to perform the service which the Army wants done. It might mean financial responsibility. There are all kinds of responsibility. So this language does not necessarily mean that a contract would be given to the lowest bid-

Mr. WILLIAMS. Oh, no; not unless the low bidder was also recognized as a responsible bidder.

Mr. CHAVEZ. The responsibility of determining who was the lowest bidder would still be reposed in the Secretary of Defense. Am I correct?

Mr. WILLIAMS. That is correct.

Mr. CHAVEZ. That being so, is it not surplusage to use the words "so far as practicable"?

Mr. WILLIAMS. The reason for including those words is that situations arise in connection with the military defense when it might not be practicable

to solicit competitive bids. I am thinking particularly of bids in the atomicenergy field. It is more likely that contracts for work in that field would be negotiated with particular firms which are equipped to do the type of work required. After all, in order to obtain competitive bids, the military must prescribe certain requirements for the specific types of construction desired. Sometimes it might not be proper, in the national interest, to describe the nature of the work to be done, so contracts are negotiated; and, of course, the Renegotiation Act provides for the recovery of the excess profits.

Mr. CHAVEZ. I understand what the Senator from Delaware has in mind, but it appears to me that merely the use of the word "responsible" carries out the idea because, after all, when the Secretary of Defense passes judgment on a contract, he must determine whether the

contractor is responsible.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield. Mr. MAYBANK. The Senator knows that last year there was a long fight here over the question raised by the Senator's amendment. I might say it is my understanding that in the pending bill there is contained the amendment which was agreed to in conference. The Senators from New Mexico and Arizona are familiar with some instances where bidders who were not responsible obtained contracts, and the business was taken away from either New Mexico or Arizona and given to a firm in New York which had no connection or business in either of those States, and hired persons who were out of work. The New York firm made the money, the citizens of New Mexico or Arizona got none of it, and the people in New England where the contracts were benefited little. I think it happened in New Mexico. Am

I correct? Mr. CHAVEZ. The Senator is correct. Mr. MAYBANK. It is important that in such instances the contract not be given to a company in New York, for example, which may not have property

or a factory in New England.

Mr. CHAVEZ. I think the purpose stated by the Senator from South Carolina, to protect the people in the State concerned, is a laudable one, and the objective is covered in the pending amendment, for which I intend to vote. I am merely trying to understand what the word "responsible" means.

Mr. MAYBANK. Mr. President, will

the Senator yield further?

Mr. WILLIAMS. I yield to the Senator from South Carolina,

Mr. MAYBANK. I merely wish to say to the Senator from New Mexico that, as I stated on the floor of the Senate yesterday, if the amendment of the Senator from Delaware shall be agreed to. I do not intend to call up my amendment, because I am hopeful that the amendment of the Senator from Delaware will cover the situation which existed in New Mexico and Arizona, in which situation I was particularly interested.

Mr. CHAVEZ. I have no objection to the words "so far as practicable," except that I think they are surplusage. think the word which gives vim and power to the amendment is the word "responsible."

Mr. WILLIAMS. I think what the Senator has stated is correct. My reason for including that wording in the amendment was that I did not wish unduly to hinder the Secretary of Defense from conducting the business of the Government in a proper manner. At the same time, I think the amendment will spell out to the Secretary of Defense the intent of the Congress and will furnish legislative background for the adoption of the policy.

Mr. CHAVEZ. I thank the Senator from Delaware for allowing me to inter-

rupt him.

Mr. MAYBANK. Mr. President, will the Senator from Delaware yield further?

Mr. WILLIAMS. I yield to the Sena-

tor from South Carolina.

Mr. MAYBANK. I wish to thank the Senator for his interest in the amendment which I offered last year. As I stated on the floor yesterday, if the amendment of the Senator from Delaware shall be agreed to, I shall not offer my amendment. I presume that the amendment of the Senator from Delaware reaches the problem which existed in New Mexico and other States a year ago. If it does not, I shall offer my amendment.

I wish to express my appreciation to the distinguished majority leader for carrying out the statements which he made last year. I am very grateful for

his kind cooperation.

I wish to say to the Senator from Michigan that, as I understand, the amendment which was worked out in conference last year, which was not my amendment, but was a compromise on my amendment, is contained in the bill now being discussed.

Mr. FERGUSON. I do not so understand.

Mr. MAYBANK. I understand that the amendment agreed to in conference last year is contained in the pending

Mr. FERGUSON. I do not so understand. However, I shall have the bill searched.

Mr. MAYBANK. I was so informed by the legislative counsel. I am confident the provision is in the bill, because I made certain that it was contained in the bill. Otherwise I would have brought it up in the committee.

I wanted to say further to the Senator from Delaware that I shall not call up my amendment if the amendment of the Senator from Delaware shall be agreed to, because the compromise amendment which was agreed to last year is already contained in the bill.

Mr. FERGUSON. Mr. President, will the Senator permit me to interrupt him?

Mr. MAYBANK. Yes.

Mr. FERGUSON. The Senator may be correct when he says the amendment was agreed to in substance.

Mr. MAYBANK. The compromise amendment in conference was agreed to in substance.

Mr. FERGUSON. It was on one point. I read from line 1, page 51, of the bill:

That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations.

Mr. MAYBANK. Unless I am mistaken, and the distinguished Senator from Michigan, who is an able lawyer, can tell me if I am, that provision is practically the substance of the language of the conference report, is it not?

Mr. FERGUSON. I think the provision contains what the Senator from

South Carolina was driving at, yes. Mr. MAYBANK. That is all I am interested in.

Mr. WILLIAMS. Mr. President, I yield the floor.

FERGUSON. Mr. President. I should like to make a short statement regarding the amendment of the Senator from Delaware. At the last session, the Senate voted on the Maybank amendment.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from South Carolina.

Mr. MAYBANK. The substance of my amendment is the same as the amendment which the Senate considered last year.

Mr. FERGUSON. That is correct. Mr. MAYBANK. Do I understand correctly from the Senator from Delaware that the substance of his amendment is the same as the one I have?

Mr. WILLIAMS. That is correct. Mr. MAYBANK. I thank the Senator

from Delaware.

Mr. FERGUSON. Mr. President, although we worked hard in the conference committee last year, it was very difficult to draft a properly worded amendment. but this year there is at least a provision on the question of price differential. All parties seemed to agree that it was not fair to take contracts away from firms in a prosperous section of the country and award them to companies in another section of the country at a higher price for the purpose of relieving economic conditions. That is the purpose of the wording contained in the bill.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield to the Senator from South Carolina.

Mr. MAYBANK. I should like to have the expression of the Senator from Delaware on another point. I might say to the Senator that we in South Carolina have not been bothered with the question: I have been disturbed about the situation in Arizona, New Mexico, and New England.

A contract was taken away from Bath, Maine, and given to Quincy, Mass., at an excess in cost of \$8 million. That fact was brought out, and the Senator knows of it. After the Senate passed the bill, the distinguished Senator from California stated on the floor of the Senate that he had talked to members of the administration, and they had told the majority

leader that certainly the taxpayers' money was not going to be used for relief

in a \$30 billion bill.

I appreciate what the Senator from Michigan was up against. All I want to say is that I hope that the amendment offered by the Senator from Delaware will be agreed to. If it shall be, I shall not call up my amendment. I thank the Senator from Michigan for yielding to

FERGUSON. Mr. President, I Mr. think it must be explained that even though price differentials are prohibited, as they should be prohibited, and there is a provision respecting that in the bill, yet difficulty is encountered by the military departments in letting contracts if the letting is to be entirely on advertised bids, on a strictly legal basis. I wish to say a few words on that question, so that my views will be before the Senate, and also before the conference committee.

The proposed amendment is in effect a revision of the Armed Services Procurement Act of 1947-Public Law 413, 80th Congress. This act, as will be recalled, provides authority in certain specific and limited instances for the negotiation of contracts, with or without competition, and was approved by the Congress, after thorough and painstaking inquiry, in order to enable the military departments to benefit from the experience gained through wartime purchases.

Mr. President, as chairman of the subcommittee of the Small Business Committee which considers the subject of the procurement of military materiel, I have encountered the question of how there is to be provided, in a free economy, activity for small business and large husiness.

It must be remembered that in attempting to meet that situation by words in a bill, we are dealing with contracts all over the Nation for the making of literally millions of kinds of articles. So difficulty is encountered if we write into the statute such a provision that no discretion at all is left to the contracting officials to act in the national interest. It can be limited to the extent of providing that a differential to be used for a welfare program cannot be paid. It may be worded in that way. Of course, I know of no one who wishes to make the Department of Defense appropriation bill into a welfare-program bill.

The Armed Services Committee of the Senate, in its report-No. 571-on the 1947 act, which I have mentioned, recognized that it was not always in the best interests of the Government that awards be made solely on the basis of the lowest initial price. In most cases price would certainly be the paramount factor. However, the committee was of the opinion that reasonably broad authority to permit contracting officers to consider other factors in the public interest was also necessary.

The proposed amendment would require that competition be obtained. The Armed Services Procurement Act specifies 16 different sets of circumstances under which contracts can be negotiated, with or without competition.

They constitute exceptions to the rule requiring formal advertising. For example, section 2 (c) (1) permits negotiation, when in the public interest, during the period of a national emergency.

The Armed Services Committee, in its report, made the following observation:

The experience gained during World War II made it essential that the services have the powers inherent in this provision. We cannot depend upon the hope that in future emergencies there will be time for the reorganization of our industrial strength for the needs of war. This exception gives the armed services power to use negotiated procurement as a dynamic instrument of preparedness, and to take into consideration such factors as geographical location, avoidance of overconcentration in a few companies, and maintenance of a basic core of plants, facilities, skills, and personnel, around which there can be expansion when it is urgently needed.

Of course, Mr. President, today we are debating the question of the letting of a contract for the construction of certain naval vessels.

The Department of Defense indicates that the use of negotiation is essential in certain procurements of naval vessels. particularly large combatant ships. This is true not only because of the unique and complex nature of shipbuilding, which often does not lend itself to the inflexible procedures of formal advertising, but also because of the current distressed condition of the shipbuilding industry. This industry, because of a dearth of commercial work, is largely dependent upon the Navy's annual construction programs. The concentration of Navy work in a few yards or in a single geographical area must, therefore, be avoided. That is the way the Department of Defense feels about this matter. The national security requires a reasonably broad mobilization base of operating shipyards.

Mr. President, I think it could be said that if we wished to concentrate shipbuilding in one location, wherever it might be-and in this connection, I may point out that in my State of Michigan, on the Great Lakes, there is a shipbuilding industry—there could be one shipyard that would be large enough to take care of all shipbuilding in the United States. But, as the Department of Defense says, such a yard might be put out of commission by one bomb. So the Department of Defense is considering the matter from the viewpoint of the national interest.

Summing up, Mr. President, it may be said that the use of existing negotiation authority permits the equitable distribution of procurement contracts among the maximum number of suppliers and the avoidance of dangerous overconcentration; it promotes the integration of current procurement with our industrial mobilization, which is a vital requirement of our mobilization readiness.

Mr. WILLIAMS. Mr. President, will the Senator from Michigan yield?

The PRESIDING OFFICER (Mr. PAYNE in the chair). Does the Senator from Michigan yield to the Senator from Delaware?

Mr. FERGUSON. I yield. Mr. WILLIAMS. Speaking on the argument presented by the Department of Defense that such a program might tend to concentrate all the productive capacity in one spot, let me say I recognize the danger involved in such a program, and I pointed it out to the Secretary of Defense at the time his Department was negotiating contracts for the construction of all the tanks to be manufactured for the Armed Forces. At that time the tank plant at Newark, Del., was one of the bidders. However, this bid was higher, and the contract was awarded to a large tank plant located in Detroit, Mich. When I inquired about the case, I received from the Secretary of Defense a letter stating that in thus awarding the contract he was operating in the interest of the Government and that he was awarding such contracts on a businesslike basis; he further stated that the fact that as the result of the awarding of that contract all the tanks produced in the United States would be produced under one roof, was not a deterrent. Concentration of production in one area was not considered dangerous in this case.

I did not object, even though a company in my own State was affected. did not write the rule that was used by the Department of Defense in that connection; the Secretary of Defense, for whom I have a great deal of respect, wrote it; and he indicated that the fact that as a result all production would be concentrated at one point, was not a deterring factor.

My point is that if such concentration was not a deterring factor in connection with the awarding of the contract for the construction of tanks for the United States Government, then let the same rule apply in the case of all other contracts let by the Department of Defense.

At a time when we are not at war, if it is possible to have naval vessels or tanks or other defense items built more cheaply in one place rather than in another then, in awarding the contracts, the Government should see that they are built in that place and thus have them built as cheaply as possible for the American taxpavers.

I point out that an unemployed man in one State is just as important to the economy of this country as an unemployed man in any other State of the Union.

I think the Secretary of Defense acted properly when he made the decision about the tank contract, for I do not believe he would have been justified in awarding the contract to a plant whose bid was 10 or 12 percent higher. However, if that is a proper rule to be applied in the case of the tank contract, then, by the same token, the awarding to the Quincy Shipyard of a contract for the construction of certain naval vessels at a price \$8 million higher than the lowest bid cannot be justified.

I think we should spell out clearly that if the lowest responsible bidder is located in either Delaware, New Mexico, Michigan, or in any other State, the contract should be awarded to that bidder. In referring to the lowest responsible bidder, I point out that I am not speaking of an irresponsible bidder. The Secretary of Defense himself can determine

whether the bidder is responsible and " can also determine under this amendment whether or not the solicitations of bids is practicable. That certainly cannot be called a strait-jacket provision.

Mr. FERGUSON. Mr. President, I wish to see the rule applied equitably. I do not think it should be equitably applied in one case unless it is equitably

applied in other cases.

But I return to the proposition that, as the distinguished Senator from Delaware has said, the question is not to be answered on the basis of the location of an unemployed man and his family. As the Senator from Delaware has said, an unemployed man in Michigan or in Delaware is no more important than an unemployed man in any other States; on that point the geographical location makes no difference.

On the other hand, the question of a mobilization base in involved in this in-

stance.

In connection with the tank production program, there are three tank plants in Michigan. They are Government plants; they are not private plants. The tank plant in Delaware, built by the Chrysler Corp., is also a Government plant. Those plants are not intended for the production of articles for private consumption, for the civilian econ-

Mr. WILLIAMS. Mr. President, I think the Senator from Michigan is

mistaken.

Mr. FERGUSON. Unless the Government wishes to lease the plants—as was done in the case of one of the plants in Michigan, which was leased to the Ford Motor Co.; and then the Government said, in effect, "We will let you use this plant to make gears, provided you allow us to store in one end of the plant the machinery for the production of tanks."

Mr. WILLIAMS. Mr. President, the Senator from Michigan may be correct; but it is my understanding that the plant in Delaware is privately owned, by the Chrysler Corp. I am inclined to think that the same is true of the tank plants

in Michigan.

Mr. FERGUSON. It is privately owned, but it was built for a specific purpose, namely, the construction of tanks for the United States Government. It cannot be taken away permanently from the United States Government. Private shipyards represent only one phase of the problem. This is not a welfare bill. In the report of the Armed Services Committee we find the following:

This exception gives the armed services power to use negotiated procurement as a dynamic instrument of preparedness, and to take into consideration such factors as geographical location, avoidance of over concentration in a few companies, and maintenance of a basic core of plants, facilities, skills, and personnel, around which there can be expansion when it is urgently needed.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON, I yield.

Mr. CHAVEZ. I represent in part a State which has a different kind of picture. We do not build tanks or airplanes in New Mexico, we do not construct ships in New Mexico, but we can construct parachutes for the Air Corps. and we have done so. We ask for very little. Until about a year ago the Air Corps had a contract with a small 2-by-4 firm in my State for the construction of parachutes. Only 240 women were employed. However, that employment meant a great deal to the economy of the little city of Las Vegas.

That company was not asking for charity. It was constructing parachutes for the Air Corps, and the Air Corps was satisfied with the parachutes the company was constructing. Suddenly the entire situation changed, and the contract was awarded to a firm which came from New England to Brooklyn, N. Y.

I think the amendment of the Senator from Delaware has a great deal of merit. In New Mexico we do not deal with millions. We have not that kind of organization. However, those 240 women furnished boys for our armed services. The last resting places of many of them are designated by white crosses. Those same women had sons who served in Korea and in the Philippines. Even now some of them have sons in mental institutions.

As I understand the amendment of the Senator from Delaware, it is based upon the principle of "live and let live." If we contribute our boys for the Army, why can we not contribute our work for the Army on the basis of the lowest responsible bid? Is there anything unreasonable about that?

Mr. FERGUSON. I will not argue with the Senator from New Mexico as to the situation of his State. I share his views. When the employees of the parachute plant were thrown out of work, that fact created an unemployment area, although the unemployment situation in another area may have been relieved.

The trouble with this problem is that it requires a great deal of thought and patience in an endeavor to arrive at an arrangement which will be equitable. The situation in the case to which the Senator from New Mexico refers was not equitable.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point as a part of my remarks a résumé of the law of which we are speaking, so that it will be before the conferees.

There being no objection, the résumé was ordered to be printed in the RECORD, as follows:

SUBJECT: OPPOSITION TO AMENDMENT TO DE-PARTMENT OF DEFENSE APPROPRIATION ACT PROPOSED BY SENATOR WILLIAMS

1. The Armed Services Procurement Act of 1947, now the principal law governing procurement within the Department of Defense, provides that all procurement shall be by formal advertising with award to the lowest responsible bidder except under 16 circumstances outlined in section 2 (c) of that act. (For a list of the circumstances see tab A attached.) These 16 circumstances cover situations wherein, in the opinion of the Congress, it is impracticable to award by ad-These situations were very carevertising. fully considered by the Congress, are specifically defined in the act, and adequate criteria for determining their existence are stated.

2. The Williams amendment to the Department of Defense Appropriation Act of 1955 would have the serious effect of delaying the major portion of the procurement programs of the Department of Defense awaiting a determination as to whether it was practicable to award the contract on a competitive basis to the lowest responsible

3. The major portion of the procurement dollarwise in the Department of Defense relates to military combat items which are developed under research and development programs by a restricted group of manufacturers and then negotiations are carried on for the lowest price for the developed article in quantity. The items procured under this system, such as aircraft, cannot be procured within the time required and of the quality required except by purchase from the developing agent. The 16 exceptions to the advertised bid procedure have been shown over a long period of years to be absolutely essentlal if the interest of the Government is to be protected and if the Government is to obtain the material of the quality required.

4. In the research and development field an exact description of the article in detail cannot be given and hence the advertised

bid cannot be used.

5. The history of the Department of Defense procurement program for the past 5 years has been filled with delays in obtaining the vital items of combat equipment even under the Armed Services Procurement Act (Public Law 413, 80th Cong.) as now writ-This amendment would delay by at least 6 months the contracts planned in the 1955 Appropriation Act.

6. It may be said that the use of existing negotiation authority permits the equitable distribution of procurement contracts among the maximum number of suppliers and the avoidance of dangerous overconcentration; it promotes the integration of current procurement with our industrial mobilization which is a vital requirement of our mobili-

zation readiness.

TAB A

Section 2 (c) of the Armed Services Procurement Act (Public Law 413, 80th Cong.)

provides:

"(c) All purchases and contracts for supplies and services shall be made by advertising, as provided in section 3, except that such purchases and contracts may be negotiated by the agency head without advertis-

ing if—
"(1) determined to be necessary in the public interest during the period of a tional emergency declared by the President

or by the Congress;

"(2) the public exigency will not admit of the delay incident to advertising;

"(3) the aggregate amount involved does not exceed \$1,000;

"(4) for personal or professional services; "(5) for any service to be rendered by any university, college, or other educational institution:

"(6) the supplies or services are to be procured and used outside the limits of the United States and its possessions;

"(7) for medicines or medical supplies;
"(8) for supplies purchased for authorized resale;

"(9) for perishable subsistence supplies; "(10) for supplies or services for which it is

impracticable to secure competition; "(11) the agency head determines that the purchase or contract is for experimental, developmental, or research work, or for the manufacture or furnishing of supplies for experimentation, development, research, or test: Provided, That beginning 6 months after the effective date of this act and at the end of each 6-month period thereafter, there shall be furnished to the Congress a report setting forth the name of each contractor with whom a contract has been entered into pursuant to this subsection (11) since the date of the last such report, the amount of the contract, and, with due consideration given to the national security, a description of the

work required to be performed thereunder;
"(12) for supplies or services as to which the agency head determines that the character, ingredients, or components thereof are such that the purchase or contract

should not be publicly disclosed;

"(13) for equipment which the agency head determines to be technical equipment, and as to which he determines that the procurement thereof without advertising is necessary in order to assure standardization of equipment and interchangeability of parts and that such standardization and interchangeability is necessary in the public interest;

"(14) for supplies of a technical or specialized nature requiring a substantial initial investment or an extended period of preparation for manufacture, as determined by the agency head, when he determines that advertising and competitive bidding may require duplication of investment or preparation already made, or will unduly delay pro-

curement of such supplies; "(15) for supplies or services as to which the agency head determines that the bid prices after advertising therefor are not reasonable or have not been independently arrived at in open competition: Provided, That no negotiated purchase or contract may be entered into under this paragraph after the rejection of all bids received unless (a) notification of the intention to negotiate and reasonable opportunity to negotiate shall have been given by the agency head to each responsible bidder, (b) the negotiated price is lower than the lowest rejected bid price of a responsible bidder, as determined by the agency head, and (c) such negotiated price is the lowest negotiated price offered by any

responsible supplier; (16) the agency head determines that it is in the interest of the national defense that any plant, mine, or facility or any producer, manufacturer, or other supplier be made or kept available for furnishing supplies or services in the event of a national emergency, or that the interest either of industrial mobilization in case of such an emergency, or of the national defense in maintaining active engineering, research and development, are otherwise subserved: Pro-That beginning 6 months after the effective date of this act and at the end of each 6-month period thereafter, there shall be furnished to the Congress a report setting forth the name of each contractor with whom a contract has been entered into pursuant to this subsection (16) since the date of the last such report, the amount of the contract, and, with due consideration given to the national security, a description of the work required to be performed thereunder;

"(17) otherwise authorized by law."

Mr. FERGUSON. After the adjournment of Congress last year the Senator from California [Mr. Knowland], the Senator from Michigan, and others in the leadership endeavored to solve the problem on a basis which would be equitable to all concerned. I ask the Senate to send the pending amendment to conference, so that the subject covered by it may be considered by the conferees. Many of the conferees have been engaged in the consideration of military appropriations for years. If this amendment can be before them, they will endeavor to arrive at a solution. We placed in the bill language with respect to the price differential. It may be that we can find language which will solve this problem, and which will not put the Military Establishment in a straitjacket.

The Military Establishment will spend about \$38 billion next year. If we place it in a straitjacket through a law, we may find more inequities and worse

trouble than if we allow the Military Establishment a reasonable exercise of discretion and hold it accountable to the Congress and the people of the United States. I desire to take the amendment to conference, where I hope a provision can be drawn which will not place the Military Establishment in a straitjacket in connection with the expenditure of \$38 billion for the procurement activities of a great military organization.

Mr. CHAVEZ. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. CHAVEZ. I agree with the Senator that the amendment should go to conference. I have served on the subcommittee for years. If the amendment of the Senator from Delaware is agreed to, it will be in conference.

Mr. FERGUSON. That is what I am asking.

Mr. CHAVEZ. Why not accept it?
Mr. FERGUSON. That is what I have done.

Mr. WILLIAMS. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. WILLIAMS. I appreciate the fact that the Senator from Michigan is willing to take this amendment to conference. I think the principle involved should be accepted by the conferees. I have no intention of trying to put the Secretary of Defense in a straitjacket. I realize that he must have certain discretionary authority.

Mr. FERGUSON. I appreciate that. Mr. WILLIAMS. I do not think there is any disagreement between the Senator from Michigan and myself as to what we are trying to accomplish. I am confident that the conferees can arrive at the proper language.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Delaware [Mr. Williams].

The amendment was agreed to.

Mr. LEHMAN. Mr. President, on behalf of the senior Senator from New York [Mr. Ives], the Senator from Massachusetts [Mr. Kennedy], and myself, I offer the amendment which I send to the desk and ask to have stated.

The PRESIDING OFFICER. The amendment offered by the Senator from New York, for himself and other Senators, will be stated.

The CHIEF CLERK. At the appropriate place in the bill, it is proposed to insert the following:

No funds available under this appropriation or any other appropriation available to the Department of the Army shall be used to transfer the Quartermaster Purchasing Office from New York, N. Y., to Philadelphia, Pa., or elsewhere until the Commission on Organization of the Executive Branch of the Government makes a complete study of the procurement, including specifications standards, storage, and issue and disposal of textiles, apparel, footwear, and related items, in the armed services, and recommends that such a transfer be made.

Mr. LEHMAN. Mr. President, the Army Quartermaster's purchasing agency has been in New York City since 1945. It employs about 1,600 persons. It works very closely with the purchasing agencies

trouble than if we allow the Military *of the other services, and necessarily Establishment a reasonable exercise of discretion and hold it accountable to the Congress and the people of the United States. I desire to take the amendment to conference, where I hope

When in the early part of May the Secretary of the Army announced that the purchasing agency of the Army Quartermaster was to be transferred from New York City to Philadelphia, I and my colleague in the Senate, the distinguished senior Senator from New York [Mr. Ives], and a number of Members of the congressional delegation in the House protested the removal of the long-established purchasing agency. We received no satisfaction whatever.

It was contended that economies could be effected by the transfer. Of course, everyone is desirous of effecting economies in the conduct of our Government. However, no statistics which were at all convincing were supplied to us.

On May 25, on behalf of myself and the Senator from Massachusetts [Mr. Kennedy], I submitted an amendment to the defense appropriation bill directing that the proposed transfer be suspended. Later I heard of a newer and broader consideration which enters the picture.

Subsequently, on June 7, on behalf of the senior Senator from New York [Mr. Ives], the junior Senator from Massachusetts [Mr. Kennedy], and myself, I submitted the amendment which has been stated by the clerk.

However, the Army, which is the responsible executive agency in this matter, appeared intent on accomplishing the transfer and to make it a fait accompli before the Committee on Appropriations could give the question the attention which it merited. Since I submitted the amendment the Army has issued successive orders accelerating the schedule of the proposed move, in an effort to complete it before action could be taken by Congress.

While the proposed transfer seems superficially to be a question of major concern only to the areas affected, it now appears clear that it involves an even larger aspect—the question of the integration of the procurement functions of the armed services, a question of the widest import to the Congress and the country.

The establishment proposed to be transferred, as I have stated, is situated in New York. It is situated in a building which also houses the purchasing agency of the Navy Department. I have been told that it was originally anticipated that in this building the pertinent procurement functions of all the armed services would be conducted, in an integrated and coordinated way. In my opinion nothing is more important to the efficient conduct of purchasing agencies.

True, there is a much smaller Army purchasing agency located in Philadelphia. It is an establishment which may or may not be justified. It has been laying off some of its personnel. All of a sudden it was announced, as I said, that the purchasing agency established in New York, which employs about 1,600

people, would be moved to Philadelphia, to be consolidated with the establishment there, which employs, at most,

about 400 people.

Mr. President, there is another question involved, which seems to be of great importance to the Nation, and that is whether the Army will be permitted to move this major establishment from one area to another without consultation with Congress. The location of the establishment has no security implications of which I am aware. Yet the proposed transfer has not only been commenced, but it has been accelerated at such a speed that it is very far on the road of complete accomplishment. Congress and no committee of Congress was ever consulted with regard to this move. No information was given, and no justification, so far as I know, has ever been made for the move.

I believe Congress has a right and a duty to consider all the factors in such a

proposed move.

Representatives in Congress from the area in question have a right to be satisfied that the transfer is truly in the national interest and is not unduly prej-

udicial to the local interests.

Mr. President, I have already indicated that the justification which came to the Representatives from the State of New York were completely unconvincing. We asked for and urged a delay in the proposed move until the matter could be studied further. Instead of acceding to our request, the Army Department stepped up the schedule for the move.

I shall not refer at any length to the hardships involved for the 1,600 present employees of the agency, with their homes and their roots in New York, but I can assure my colleagues in the Senate that those hardships are many and very great.

If the best interests of the Government were served by this move, the individual hardships would perhaps be justified. But I see no evidence that the interests of the United States are being served. Quite the opposite is true.

Up to this point I have been speaking only of the Army's claim that the proposed move will result in a saving to the

Government.

There is, however, the second factorthe factor which was pointed out on the floor of the House by Representative Bonner, of North Carolina, on May 28. Representative Bonner has no vested interest whatever in the location of the quartermaster purchasing agency. He does have an interest, however, in the question of the integration of the purchasing activities of the armed services. In the 82d Congress he was chairman of a subcommittee of the Government Operations Committee, which conducted a comprehensive survey of the purchasing functions of the armed services and which strongly advocated the integration of those activities.

Indeed, Mr. President, the savings to be achieved by the integration and the standardization of the purchasing activities of the Army, Navy, and Air Force were originally cited as among the major justifications for the establishment of the Defense Department.

The waste, measured in millions of dollars, resulting from the lack of integration in the procurement activities of the armed services has been frequently brought to the attention of the Congress.

The Harden subcommittee of the House Government Operations Committee, and the Bonner subcommittee, conducted studies on this matter which illustrated only too graphically the senseless waste of Government money as a result of duplication and lack of standardization among the armed services.

The resolution which I submitted on June 7 was based on this new aspect of the matter. I ask unanimous consent that the text of the resolution be printed in the Record at this point in my remarks.

There being no objection, the resolution was ordered to be printed in the RECORD, as follows:

Resolved, That it is the sense of the Senate that the Department of the Army suspend forthwith the proposed transfer of the Quartermaster Purchasing Agency Office from New York, N. Y., to Philadelphia, Pa., or elsewhere, until the Commission on Organization of the Executive Branch of the Government shall have completed its current study of procurement practices, including specifications standards, and of related matters such as storage and issue and disposal textiles, apparel, footwear, and related items, in the armed services; and that upon the completion of said study the transfer of the Quartermaster Purchasing Agency facilities from New York to Philadelphia shall be further reviewed by the Committees on Government Operations of the Senate and House of Representatives, in the light of the recommendations of said Commission.

Mr. President, I have always strongly supported proposals for reorganization designed to achieve greater efficiency in the conduct of the Government. I was a strong advocate and supporter of the work of the original Hoover Commission. Last year I supported the creation of the new Commission on Organization of the Executive Branch of the Government.

One of the most important duties of this new Hoover Commission is to study and recommend improvements in the present procurement programs and agencies of the Armed Forces, with particular reference to the procurement and distribution of clothing.

Facts which have been brought out repeatedly by committees of Congress have pointed to the amazing clothing inventories of the Army and the resulting cost to the taxpayers.

Only a week or two ago a very high authority stated that today we have clothing inventories of over a billion dollars which, if coordinated, could be reduced to \$200 million, effecting a saving in inventory expenditure of \$300 million.

Mr. President, orderly government, efficient administration, and sheer commonsense should impel the Army to await the report of the Hoover Commission on this entire subject before proceeding with the proposed move to Philadelphia. Therefore, I wish to repeat, Mr. President, that it is my fervent hope that the amendment which my colleagues and I have offered today will be acted upon favorably and speedily.

Mr. IVES. Mr. President, I heartily concur in the statement of my colleague from New York and strongly urge approval of the proposed amendment.

The geographical transfer of certain functions of a Government department, be it the Quartermaster Purchasing Agency or any other agency, should be based on concrete facts, facts grounded in equity, in economy, and in the best interests of the Government. The evidence presented by the Department of Defense in support of this move does not appear to justify the taking of such a step at this time. The facts which have come to my attention present a strong case for the retention of these purchasing functions in their present quarters.

I have had this matter under advisement since the early part of the year. As a result of inquiries and protests on my part, I had been led to believe that such action was not contemplated. We are now faced with the transfer of the functions of the Quartermaster Purchasing Agency in the absence of a thorough and complete study of prevailing procurement practices.

At this point in my remarks I ask unanimous consent to have printed in the body of the RECORD the text of a letter sent to the Secretary of the Army by the Commissioner of Commerce of the State of New York, which analyzes the Department's supporting data, and also the text of the reply signed by the Under Secretary of the Army. It will be noted that several of the important points in the Commissioner's letter are not answered satisfactorily by the Under Secretary. I also ask that the texts of two telegrams I sent to Secretary of Defense Wilson dealing with this matter be printed at this point in my remarks.

There being no objection, the correspondence and telegrams were ordered to be printed in the Record, as follows:

(The following is the text of a letter sent to Secretary of the Army Stevens on May 17, 1954, by Hon. Harold Keller, commissioner, New York State Department of Commerce:)

DEAR SECRETARY STEVENS: On March 26, I wrote to you expressing my concern with the proposed removal of certain functions of the Quartermaster Purchasing Agency from New York City to Philadelphia. At that time I urged strongly that those quartermaster functions now performed in New York City be retained there.

On May 3, the Department of Defense announced that the New York City Quartermaster Purchasing Agency would be relocated in the Philadelphia Quartermaster Depot as soon as arrangements could be completed. This announcement stated that a study of the proposed transfer had shown that an annual savings of some \$700,000 would be realized.

I have examined the series of charts prepared by the Army as a result of this study which attempts to illustrate that a net annual savings of \$400,000 rather than \$700,000, will be effected. This material presents several claims which are either unsupported by fact or which do not take into account all of the elements necessary to substantiate claimed savings as net savings. It is quite possible, using the Army's material, to conclude that there will be a net increase in cost if the Quartermaster Purchasing Agency is moved to Philadelphia.

The following points are offered for your earnest consideration:

1. The presentation states that the industries (production or manufacturing plants) which supply the Quartermaster Corps are as accessible to Philadelphia as to New York. To illustrate this point, the study includes such States as North and South Carolina, Georgia, and Florida in the Philadelphia orbit. It does not include metropolitan New Jersey, a large producer of apparel and textiles, less than 10 miles distant from Manhattan, in the New York City orbit.

While this method of analysis is subject to serious question, the point which this portion of the studies attempts to make has little bearing on the proposed transfer. The location of producing plants has little relationship to the purchasing function. With rare exception, purchasing is a matter of negotiation between the Quartermaster Purchasing Agency and the main office or sales office of the supplying company. These offices, the actual points of contact with the Quartermaster Purchasing Agency, are shown by the Army's study to be heavily concentrated in the New York metropolitan region. Of all the contractors in the country supplying commodities to the Quartermaster Purchasing Agency, 37 percent are within 45 miles of New York City while only 8 percent are within 45 miles of Philadelphia.

2. Certain items of new expense have been ignored in arriving at an estimated net annual saving. According to the Army's study, the functions of the New York Quartermaster Purchasing Office which employ the greatest number of people are those functions requiring expert and trained personnel. More than half of the 987 civilian employees of the New York agency are engaged in pur-chasing and inspection. On the basis of figures presented by the study in its estimate of cost of moving, only approximately half of the present New York City employees will move to Philadelphia. Quite probably even a smaller percentage of technical personnel will move. It will be not only costly but difficult to recruit replacements for these technical people in Philadelphia and even more costly to train them in the details and techniques of the quartermaster operation. Private industry estimates the cost of training technical or subprofessional employees at from \$3,000 to \$20,000 each. Using the minimum figure, this will constitute a very substantial item of new expense which will be added by the move to Philadelphia.

The charts estimate savings in certain "micellaneous activities by the elimination of various jobs which are considered duplicatory. One of several examples is in personnel assigned to "signal communications." At the present time, the existing Philadelphia operation is staffed by 10 employees and the New York City operation is staffed by 30 employees in this category. The study indicates an elimination of half of this total or 20 employees. Although the plan calls for removing from New York City where communications with the greatest concentration of its suppliers are a matter of telephone or subway usage, it claims that it can service all communications for the combined operation with less than the number of people now assigned to this function in New York alone. Even if this were possible, no consideration has been given to the increased cost of communications. of local telephone and subway contact with suppliers, the agency will substitute long-distance phone calls, individual letters involving expensive time to process, and increased travel expenditures on the part of the Quartermaster personnel. This is another of many new expenses which were ignored in arriving at a conclusion of "net savings" in the proposed removal.

Almost the entire claimed net savings of \$400,000 is represented by savings in personnel salary. On a general basis, the study claims that duplicate administrative services can be eliminated. The charts do not

support this general claim. Of the 114 jobs which will be eliminated, only 41 are classified as being assigned to administrative services.

3. The study states that a purchasing office can be located satisfactorily in any large communication and transportation center on the eastern seaboard because of the fact that the producing industries (the manufacturing plants) are concentrated on the eastern seaboard of the United States. This statement might be true in relation to a warehousing or distribution function. It definitely is not true in relation to the purchasing function which has a unique requirement for successful and economic operation—location as close as possible to the greatest concentration of negotiating offices.

This concentration is overwhelmingly in or adjacent to New York City. However, if the only means of economic operation is to consolidate the New York and Philadelphia operations, it is as reasonable to assume that duplicatory personnel could be eliminated by combining these operations in New York City as it is to make the same assumption for a combined operation in Philadelphia. As the communication and transportation center of the entire Nation, New York, by the Army's own definition, would be a more advantageous and economic location than Philadelphia for those Quartermaster functions now located in the latter city. In addition, if the matter of expense to the general business community which supplies the Quartermaster agency is of any concern, it can be demonstrated that a combined operation would be more economic to all concerned in New York City than could possibly be the case in Philadelphia.

4. The Department of Defense news release announcing the removal of the New York Quartermaster Purchasing Agency to Philadalphia states that "The move to Philadelphia is in conformity with Department of Defense policy to relinquish leased space wherever possible, to accomplish maximum possibile utilization of Government-owned space and to effect utmost economies through consolidation of activities."

"Utmost economies through consolidation of activities" can be realized in existing and available Government-owned space either at the Army or Navy Brooklyn Bases. Both bases have ample, suitable and available Government-owned space for the combined Quartermaster operations. To devote it to this purpose would accomplish maximum possible utilization of Government-owned space in the New York City

I respectfully call to your attention an additional policy of the Department of Defense embraced in Federal Law 413, 1948 and Armed Services Procurement Regulation, section 4, subject: Coordinated Procurement, part 4-000 (c), dealing with the procurement or items used in common by all branches of the Armed Forces. I suggest that the proposal to move the Quartermaster purchasing function to Philadelphia does not coincide with the intent of this law and directive in that it would result in separating the consolidated purchasing of many items now procured by the New York Quartermaster Purchasing Agency.

In conclusion, it is my opinion that the Army studies have shown no basis whatsoever for determining that the transfer of the New York Purchasing Agency to Philadelphia would result in any real or net savings to the Government. On the contrary, they suggest that very real savings could be realized by transferring to New York any functions of the Quartermaster Corps now conducted in Philadelphia which must be combined with those now conducted in New York. I suggest that this course would be more in conformity with the stated policy of the Department of Defense than the removal of the New York City purchasing function to Philadelphia.

I urge very strongly that the order for removal of the functions of the Quartermaster Purchasing Agency from New York to Philadelphia be rescinded and that you give immediate consideration to removing those purchasing functions now performed in Philadelphia to New York City where they can be combined with the functions of the Quartermaster Corps Purchasing Agency to the benefit of the Government, the armed services and the Nation as a whole.

es and the National Sincerely yours,
HAROLD KELLER,
Commissioner of Commerce.

mmissioner of commerce.

MAY 25, 1954.

Hon. HAROLD KELLER,

Commissioner of Commerce,
Albany, N. Y.

DEAR MR. KELLER: I have given very careful consideration to your letter of May 17, 1954, addressed to the Secretary of the Army, relative to the removal of the New York Quartermaster Purchasing Agency to the Philadelphia Quartermaster Depot.

As I am sure you know, the Army is exerting every effort to conduct its operations with the utmost efficiency and economy. In accord with this policy and the policies of the Department of Defense to relinquish leased space wherever feasible, to make the optimum use of Government-owned facilities and to effect the maximum economy of operations in terms of personnel and funds, consistent with military necessity, an extensive study has been made over a period of several months concerning the possible relocation of Quartermaster Corps activities presently in leased space at 111 East 16th Street, New York City. It was decided, as a result of this study, to move the New York Quartermaster Purchasing Agency, the Quartermaster Inspection Service Command, the Quartermaster Inspection Field Office, and certain other activities into Govern-ment-owned facilities at the Philadelphia Quartermaster Depot; and to move the New York Quartermaster Center, which must remain in New York by reason of its specialized regional procurement mission, into Government-owned space in the New York area.

The recurring annual dollar savings involved in this action, it is assured, will exceed \$700,000, including personnel, housekeeping and rental savings. This figure, it is believed, is somewhat on the conservative side. I am confident that the savings will be substantially greater. The total cost of the move will be amortized in about 4 months. Moreover, the move to Philadelphia will permit the grouping together of the purchasing and inspection activities, now in New York, and the closely related acceptance testing, manufacturing, and Government-furnished property functions now at the Philadelphia Quartermaster Depot, an action of considerable importance to the efficiency of over-all Quartermaster Corps operations. The ready availability of ex-pert advice and assistance from all these closely related activities will materially assist the contracting officers and purchasing personnel in a more efficient administration of contracts, to the benefit both of the Government and Quartermaster Corps contrac-

In meetings of May 3, 12, and 18 variously with congressional groups and representatives of affected Quartermaster Corps employees no evidence was presented in opposition to the move which had not already been thoroughly considered in connection with the decision to effect the relocation of the Quartermaster Corps activities concerned. Accordingly the decision was reaffirmed.

All the specific points which you raised in your communication were intensively studied and evaluated prior to the decision to make the move. It was recognized that the New York area has a larger concentration of the clothing and textile industry than does the Philadelphia area, but an even larger con-

centration of this industry is scattered throughout the eastern seaboard area. The majority of procurement effected by the New York Quartermaster purchasing agency nor-mally is conducted through the process of formal advertising which does not require the degree of close contact or negotiation of which you speak. The very nature of this Quartermaster Corps procurement, in fairness to the 60 percent plus of the industry not located in the New York 45-mile radius, and to the taxpayer in general, necessarily must be performed in accordance with procedures applicable to procurement by the formal advertising method. This method requires that many facets of procurement and contract administration must, in any event, be reduced to writing and carried on through letter correspondence in order to comply with law, regulations, and contractual terms and in keeping with orderly business practices.

With these considerations in mind, the study concluded that any large communication and transportation center in the general area was a satisfactory location for a central purchasing office. In this connection, Quartermaster Corps clothing and textile procurement was successfully performed at the Philadelphia Quartermaster Depot for many years prior to and throughout World War II. The Marine Corps procurement operation is conducted in Philadelphia, and an analysis of coordination with the Navy Purchasing Office, whose clothing and textile procurement volume is about one-fourth that of the Quartermaster Corps, has shown that the majority of the necessary coordination actually is effected on the departmental level in Washington.

The majority of the employees not moving to Philadelphia are in the lower grades for which recruitment should present little or no problem in Philadelphia. A large proportion of the technical or key employees are expected to move. The current Civil Service Commission lists at Philadelphia show a significant number of eligible applicants with purchasing experience, some of them separated Government career employees, who should be able to qualify for the technical or key positions.

Training and recruitment of employees is a continuing personnel administration proc-The costs you attribute to this are at considerable variance with Army experience, but in any event they are intangible ac-counting costs which will not require any budgetary or funding actions. The recruit-ment and training activity can and will be phased carefully into normal operations and any disruption of operations will be of a minor and temporary nature. Under the conditions expected to exist, the Army will not ask for or expend any additional dollars on recruitment and training of the personnel who will have to be recruited in the Philadelphia area.

The reduction in personnel needed to handle signal communications is primarily attributable to the fact that the New system involves a manual switchboard operation whereas the Philadelphia Quartermaster Depot system is dial-operated, requiring a considerably smaller amount of operating personnel and maintenance. No undue burden on the New York segment of the industry is foreseen in the move to Philadelphia.

With respect to your statement to the effect that the net savings resulting from the move are only \$400,000 and that only 41 of the 114 civilian personnel spaces saved are in the category of administrative services, the \$400,000 represents merely the comparative difference between the savings accruing from the least expensive relocation within the New York area and the move to Philadelphia. The actual net annual savings to the Government overall will exceed \$700,000, as I have earlier pointed out. From an examination of the charts furnished congressional representatives from New York, and reviewed by you, it is believed that you have assumed that the 41 personnel spaces shown as saved in the Administrative Services Office constitute all the administrative or overhead savings involved. Reference to the charts will indicate that there are other services shown, the majority of which constitute overhead or administrative services and are involved in the 13 military and 114 civilian spaces mentioned. These spaces represent a minimum personnel savings dirctly attributable to the merger of the two headquarters.

In connection with the function and mission of the various activities presently at the Philadelphia Quartermaster Depot, this depot not only has a storage mission for clothing and textiles, including cloth which is used as Government-furnished property in the manufacture of various end items, but it houses a number of other activities which could not be feasibly or economically moved to New York. These include the manufacturing facility, the acceptance testing lab-oratories and the Government-furnished property function, all of which, as earlier mentioned, ae an integral part of the overall clothing and textile procurement operation. The present purchasing mission at the depot is of a minor nature only. The cost alone of moving these activities to New York and housing them there would be prohibitive, not to mention the detrimental effect on the efficiency of the overall Quartermaster Corps clothing and textile procurement and supply operation.

While it is regretted that I cannot give you a more favorable reply in this instance, I want to assure you that every facet of this matter has been thoroughly studied. interest in this matter is appreciated.

Sincerely yours,

Deputy Under Secretary of the Army.

MAY 6, 1954.

Hon. CHARLES E. WILSON,
Secretary of Defense,
Washington, D. C.:

I protest vigorously the reported action by Quartermaster General in planning to move the functions of the Quartermaster Purchasing Agency to Philadelphia. Based on earlier inquiries regarding this matter, I had been led to believe that such action was not contemplated by your Department at this time. I am now advised that it is imminent. There appears to be no justification for this move based on evidence that is now in my possession. Furthermore, the great clothing and textile industry with which the Quartermaster deals to a very great extent is centered in the New York City area. A further investigation of all the facts surrounding this move appears essential and I strongly urge that this contemplated action be deferred pending the outcome of such an inquiry on your part.

IRVING M. IVES, United States Senator.

JUNE 1, 1954.

Hon. CHARLES E. WILSON, Secretary of Defense, Washington, D. C .:

I have repeatedly protested moving of the Quartermaster Purchasing Agency from New York City to Philadelphia. I believe such action to be most unwise. In spite of all opposition, however, the Army has seen fit to go ahead, not only with its plans, but also with the actual operation attendant upon

This unwarranted swift action which is being taken by the Quartermaster General is causing extreme hardship to the employees of the Quartermaster Purchasing Agency who literally are being uprooted or are being left abandoned in New York City.

I strongly urge reconsideration of this drastic action.

IRVING M. IVES.

Mr. IVES. Mr. President, without going into a thorough explanation of the points raised against the transfer of these functions, I should call to the attention of the Senate the following information:

Of all the contractors in the country supplying commodities to the Quartermaster Purchasing Agency, the highest concentration—37 percent—is within 45 miles of New York City. Furthermore, the proposal to move the Quartermaster Purchasing function would result in separating the consolidated purchasing of many items now procured by the New York Quartermaster Purchasing Agency. This appears not to coincide with the intent of Public Law 413, 80th Congress, and Armed Services Procurement Regulation section 4 dealing with the procurement of items used in common by all branches of the Armed Forces.

Hearings conducted by various committees of the Congress have shown that the procurement practices of the Defense Department leave much to be desired. This is true particularly of clothing for the armed services. I therefore urge that these practices receive thorough study from the executive branch and from the appropriate committees of the Congress and pending their recommendations, the proposed amendment be adopted.

Mr. MARTIN. Mr. President, on May 25, an amendment to the defense appropriation bill, intended to be offered by the junior Senator from New York [Mr. LEHMAN], the senior Senator from New York [Mr. IVES], and the junior Senator from Massachusetts [Mr. Ken-NEDY], was ordered to be printed.

I invite attention to the date the amendment was presented, May 25, and to its purpose, which is an attempt to countermand a decision by the Department of the Army to move the Quartermaster Purchasing Agency from its present location in New York City, to Philadelphia, Pa.

In other words, Mr. President, this is an effort to stymie an economic move by the Department of the Army, which has long been planned, and for which, after due deliberation, notification, and study of all the factors involved an official order was issued by the Army on May 7.

I ask unanimous consent, Mr. President, to have printed in the RECORD at the end of my remarks a chronological statement of events leading up to the announcement of the move to Philadelphia, by the Army, and General Order No. 34, issued by the Secretary of the Army on May 7, 1954.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1 and exhibit 2.)

Mr. MARTIN. Mr. President, this is no unpremeditated undertaking by the Department of the Army. It is in line with a broad policy within the Department of Defense to insure the efficient utilization of all real property under its control. An Armywide survey was initiated in October 1953, one objective of which was to insure maximum use of Government-owned real property, in lieu of leased space.

I do not wish to burden the Senate with a detailed account of the study made by the Department of the Army on this move, but I ask unanimous consent that a copy of the Army press release of May 3, outlining the factors, be printed in the RECORD at the end of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. MARTIN. The principal points are:

That the Army made a thorough study of the feasibility of the move;

That the move is entirely within the jurisdiction of the Secretary of the Army; and

That \$720,000, annually, will be saved by moving the Quartermaster Purchasing Agency to Philadelphia, coordinating its operations with the Philadelphia Quar-

termaster Depot. Mr. President, a saving of \$720,000, annually, is a sizable figure in the de-

fense housekeeping budget.

What are the next considerations? The opposition to this move states that it will add to unemployment in New York City, and that it is one of several defense operations that have either been withdrawn or curtailed in that area.

Mr. President, I do not doubt this is true, although I have no breakdown of what facilities have been removed from the New York area.

Practically every section of the country, where defense activities existed, are experiencing a cutback in defense spending-and, I hope, an evidence of economical planning and utilization, such as the transfer of the Quartermaster Purchasing Agency to Philadelphia.

The State of Pennsylvania is also suffering from unemployment due to defense readjustments, and a number of other economic causes. We have lost defense contracts and we have lost de-

fense facilities.

Only this morning, I received a letter from the Corps of Engineers, office of the district engineer in Philadelphia, notifying me of a consolidation of procurement activities in the Chicago procurement office, which will require the closing of the Philadelphia Corps of Engineers Procurement Office on July 1, 1954.

Mr. President, I do not like to see the transfer of jobs from Philadelphia, nor do I like to see any reduction in income for the people of that city, but those of us who are anxious to see operations within the Department of Defense conducted more economically do not rush frantically to the device of offering an amendment to an appropriation bill, designed to circumvent the saving of \$720,000 for the American taxpayer.

I recognize the right of the junior Senator from New York and the junior Senator from Massachusetts to offer any

amendment they wish.

If there are reasons why the transfer of a defense facility should not be made, separate legislation should be introduced calling for a study of the matter by the Armed Services Committees of the House and the Senate.

As the amendment offered by the Senators from New York and the Senator from Massachusetts is now worded, it would apply only to funds contained in H. R. 8873, which would not necessarily affect the use of funds previously or subsequently appropriated. Obviously, it is a "dodge" to get an expression of opposition by the Senate with respect to the transfer of this facility.

It was very gratifying to me to note that the Senate Appropriations Committee did not view the Lehman-Ives-Kennedy amendment with approval.

On June 4 I wrote to the chairman of the Senate Appropriations Committee. and to each member of the Armed Services Subcommittee, protesting the amendment. I also submitted to the committee a copy of the Army report and other statistics showing the economy and the practical aspects of the transfer.

Mr. President, I ask unanimous consent to have printed in the RECORD, at the end of my remarks, a letter which I wrote to the Senate Committee on Appropriations under date of June 4, 1954; a one-page chart summarizing the savings which will be effected by the coordination of the New York Quartermaster Purchasing Agency with the Philadelphia Quartermaster Depot; and a statement by the Department of the Army with respect to why it is making the change.

There being no objection, the material was ordered to be printed in the RECORD.

(See exhibits 4, 5, and 6.) Mr. MARTIN. Mr. President, I resent the use of the amendment as a device for blocking an Army order which is for the good of the service and for the benefit of the American taxpayer.

I join with my colleague the distinguished junior Senator from Pennsylvania [Mr. DUFF] in making the point of order that the amendment is legislation on an appropriation bill.

EXHIBIT 1

CHRONOLOGICAL STATEMENT OF EVENTS IN CONNECTION WITH MOVE OF NEW YORK QUARTERMASTER PURCHASING AGENCY FROM NEW YORK TO PHILADELPHIA

February 3, 1954: The Quartermaster General appointed a task force to make the staff

March 26, 1954: Staff study completed and recommendations presented to the Quartermaster General.

March 31, 1954: The Quartermaster General approved staff study and accepted recommendations without change.

April 23, 1954: Chief of Staff approved recommendation of the Quartermaster General and forwarded to Under Secretary of the Army.

April 29, 1954: Under Secretary of the Army approved the recommendation of the Chief of Staff to move the Purchasing Agency to Philadelphia.

April 30, 1954: Mr. Frank H. Higgins, Deputy Under Secretary of the Army, issued invitations to New York Congressional Delegation to attend a meeting on Monday, May 3, 1954, for the purpose of an announcement on the move and a briefing.

May 3, 1954: Employees of the New York Quartermaster Purchasing Agency were advised of the decision to move to Philadel-

May 3, 1954: A congressional briefing was held at 10 a.m., in room 313, Old House Office Building attended by Mr. Higgins, Deputy Under Secretary of the Army; Major General Hastings, the Quartermaster Gen-

eral; Brlgadier General Denniston, Deputy Quartermaster General for Operations; Colonel Harvey, OQMG; Colonel Baker, OUSA; Lieutenant Colonel Houghton, OQMG; Lieutenant Colonel Mueller, OUSA; Mr. Winter, CQMG. New York delegation: Congressman Ray, 15th District; Congressman Little, Glens Falls; Congressman Wainwright, 1st District; Mr. Feldman, representing Congressman Roosevelt; Representative of Senator Ives; Representative of Senator Lehman; and others. Copies of a press release were given to these in attendance and to others in the New York area.

May 7, 1954: General Orders No. 34, Department of the Army was issued directing

the relocation.

May 12, 1954: Meeting in G-4 conference room at the request of a delegation of employees of the New York Quartermaster Purchasing Agency attended by Mr. Lambert, representing NYQMPA Employees Committee; Mr. Shargal, representing NYQMPA Employees Committee; Mr. Pollack, representing NYQMPA Employees Committee; Mr. Frank H. Higgins, Deputy Under Secretary of the Army; Brigadier General Denniston, Deputy Quartermaster General for Operations; Colonel Richardson, G-4; Colonel Gibson, G-4; Colonel Harvey, OQMG; Lieutenant Colonels Houghton, OQMG; Lieutenant Colonel Price, OQMG; Lieutenant Colonel Mueller, OUSA; Mr. Eugene Hart, G-4; Mr. Winter, OQMG. At the conclusion of this meeting General Denniston advised that he did not think any points had been raised which had not already been studied.

May 18, 1954: A meeting with New York congressional delegation in the Pentagon attended by Congressman Emanuel Celler. Democrat, of Brooklyn; Congressman James J. Delaney, Democrat, of Brooklyn; Congressman Eugene J. Keogh, Democrat, of Brooklyn; Congresswoman Edna F. Kelly, Democrat, of Brooklyn; Congressman Abraham J. Multer, Democrat, of New York City; Congressman John J. Rooney, Democrat, of Brooklyn; Congressman Arthur G. Klein, Democrat, of New York City; Congressman Sidney A. Fine, Democrat, of Bronx; Congressman Isidore Dollinger, Democrat, of Bronx; Mr. Feldman, representing Congressman Franklin D. Roosevelt, Jr.: Mr. Slezak. Under Secretary of the Army (for a limited time); Mr. Higgins, Deputy Under Secretary of the Army; Major General Hastings, the Quartermaster General; Colonel Harvey, OQMG; Lieutenant Colonel Houghton. OQMG; Lieutenant Colonel Price, OQMG; Colonel Gibson, G-4; Lieutenant Colonel Mueller, OUSA; Mr. Winter, OQMG; Mr. Lambert, president of Employees' Committee, NYGMPA. At the conclusion of this meeting Mr. Higgins stated that he did not think any points had been raised which had not already been considered.

May, 20, 1954: New York congressional delegation issued press release attacking the

EXHIBIT 2

GENERAL ORDERS No. 34 DEPARTMENT OF THE ARMY, Washington, D. C., May 7, 1954.

Section

Camp Stoneman, Calif., placed in inactive status; activities transferred to Fort Ord and Oakland Army Base, Calif _. Quartermaster activities relocated__ Units entitled to battle credits, general orders amended _ III Units credited with assault landings, general orders amended ___ IV Reno Quartermaster Remount Station, Fort Reno, Okla., discontinued.____

II. Quartermaster activities: Effective July 1, 1954, the quartermaster class II activities located at 111 East 16th Street, New York, N. Y., are discontinued and their missions and functions are transferred as follows:

1. The New York Quartermaster Purchasing Agency is transferred to and merged with the Philadelphia Quartermaster Depot, Philadelphia, Pa.

2. Headquarters, Quartermaster Inspec-2. Readquarters, Quarternaster Inspection Service Command, is transferred to Philadelphia, Pa., and reestablished as a quartermaster class II activity under the jurisdiction of the Quartermaster General, and located at the Philadelphia Quartermaster Depot.

3. The New York Quartermaster Inspection Service Field Office is transferred to Philadelphia, Pa., and redesignated the Eastern Regional Inspection Office, and assigned as an integral organizational element of Headquarters, Quartermaster Inspection Service Command, at the Philadelphia Quartermaster

4 The commercial warehouse field office is transferred to Philadelphia, Pa., and is reestablished as a quartermaster class II activity under the jurisdiction of the Quartermaster General, and located at the Philadelphia Quartermaster Depot.

[AG 323.3 (6 May 54)]

By order of the Secretary of the Army: M. B. RIDGWAY, General, United States Army, Chief of Staff.
Official:

JOHN A. KLEIN, Major General, United States Army, Acting The Adjutant General.

Distribution: According to requirements submitted on DA Form 12.

EXHIBIT 3

DEPARTMENT OF DEFENSE, OFFICE OF PUBLIC INFORMATION, Washington, D. C., May 3, 1954.

YORK QUARTERMASTER PURCHASING AGENCY TO BE MOVED TO PHILADELPHIA DE-POT

The New York Quartermaster Purchasing Agency, which since World War II has occupied leased quarters at 111 East 16th Street, New York City, will be relocated in the Philadelphia Quartermaster Depot, Philadelphia, Pa., as soon as physical arrangements can be completed, it was announced today by the Department of the Army.

The move to Philadelphia is in conformity with Department of Defense policy to relinquish leased space wherever possible, to accomplish maximum possible utilization of Government-owned space and to effect ut-most economies through consolidation of activities.

Moving of the above activities to Philadelphia will result in substantial recurring savings, estimated to be more than \$700,000 annually, and will bring together the purchasing and inspection activities, now conducted in New York, with the closely related acceptance-testing, pilot manufacturing, and Government-furnished property functions already housed at Philadelphia Depot.

The Quartermaster Purchasing Agency was located in the Philadelphia Depot prior to its move to New York in 1945. The agency procures textiles, clothing, and a few types

of general supply items.

The Quartermaster Purchasing Agency, together with the Quartermaster Inspection Service Command and the Quartermaster Inspection Field Office which also will move to Philadelphia, presently employ 63 military and 987 civilian personnel. Consolidation of administrative and other activities at a single location in Phladelpha will make possible the reduction of 13 military and 114 civilian personnel for this operation at a total annual payroll savings of approxi-mately \$570,000. Elimination of the need for the leased quarters in New York will save approximately \$130,000 a year.

Advantages of moving the above-named Quartermaster agencies to other Govern-ment-owned locations in the New York area were analyzed prior to making the decision to move to Philadelphia. Studies showed that the cost of removal to and the remodeling of available structures in New York would be far in excess of the costs of removal to Philadelphia. Further, it was apparent that removal to another site in the New York area would not make possible the reduction in personnel and would not accomplish the consolidation of related activities achieved by the move to Philadelphia.

Civilian employees whose jobs are being transferred to Philadelphia will be invited to move to the new location. Where such employees decline to move to the new location, their jobs will be filled by recruitment. In those instances in which a New York employee's position is to be consolidated with an existing position at the Philadelphia Depot, the position will be filled in accordance with existing civil-service regulations. Every effort consistent with civil-service rules and regulations will be made to assist those employees not moving to Philadelphia to secure other positions with the Government or private industry.

The New York Quartermaster Market Center, now housed at 111 East 16th Street, New York City, and New York petroleum field office, will be relocated in other Governmentowned property in the New York area. New York market center procures a subsistence for the Armed Forces, directly supporting shipments from the port of New York and supplying military installations in the New York area.

Ехнівіт 4

JUNE 4, 1954.

Hon. STYLES BRIDGES.

Chairman, Senate Appropriations Committee,

The Capitol, Washington, D. C.

DEAR SENATOR BRIDGES: My attention has been called to the introduction of an amendment intended to be offered to the defense appropriation bill by Senator Lehman, of New York, and Senator Kennedy, of Massachusetts, designed to prevent the use of funds for the transfer of the Army Quartermaster Purchasing Agency from New York to Philadelphia.

The decision to make this transfer has been made by the Secretary of the Army and the Quartermaster General after long study and investigation, and the conclusion that more than \$720,000 can be saved in defense funds through this move, and the consolidation of services in Philadelphia.

Naturally, I am pleased that the decision has been made, based upon facts. I have asked the Department of the Army to furnish me with a chronology of events leading to this transfer decision, and a summary of the costs and savings in connection with the move, which is attached to this letter. I will appreciate it very much if you will make this information available to the members of the Armed Services Subcommittee.

If the Lehman-Kennedy amendment is offered when the Defense Appropriation Bill comes to the floor of the Senate, I assure you will do all in my power to block it. This letter is to explain my strenuous protest to you, in advance.

I have heard it said that the reason given against the move of the Quartermaster Purchasing Agency to Philadelphia, is that it will cause unemployment; also that it is one of several defense operations that have been withdrawn or curtailed in the New York area. Unemployment in the Philadelphia area is equally serious, and the State of Pennsylvania has lost numerous defense contracts and has suffered the loss of defense installations, due to change or curtailment in defense plans.

However, no member of the Pennsylvania delegation in Congress has resorted to the device of attempting to tack a proviso on to an appropriation bill to cause the recission of a decision made by the military, after long study and investigation has proved its feas-ibility and the saving of three-quarters of a million dollars.

I am sending a copy of this letter to each of the members of the Armed Services Sub-

Very sincerely,

EDWARD MARTIN.

EXHIBIT 5

Summary of savings in relocation of NYQMPA to Philadelphia QM Depot

Annual cost of leased space at 111 East 16th St_____ \$130, 198 Excess annual cost for personnel 570,000 equipment annual rental_. 6,780 Service annual savings due to de-

creased space requirement for NYQMPA at PQMD_____ 13, 272

Total savings_____ 720, 250

Ехнивит 6

STATEMENT ON DEPARTMENT OF ARMY POSITION ON PROPOSED AMENDMENT BY SENATOR LEH-MAN TO DEPARTMENT OF DEFENSE APPROPRI-ATION BILL FOR FISCAL YEAR 1955 (H. R. 8873) PROHIBITING USE OF FUNDS TO TRANS-ARMY QUARTERMASTER PURCHASING AGENCY FROM NEW YORK TO PHILADELPHIA. PA.

The Army's decision to move certain activities from leased space at 111 East 16th Street, New York City, into Government-owned facilities at the Philadelphia Quartermaster Depot was based upon considerations of efficiency and economy of operations and, despite allegations to the contrary, without regard to political pressures from any source. It was made after extensive study and evaluation of all pertinent factors.

The relocation of the New York Quartermaster Purchasing Agency and the other activities into Government-owned space at the Philadelphia Quartermaster Depot will effect an annual rental saving of \$130,000. Integration of the activities will permit a personnel reduction of 13 military and 114 civilian spaces or annual savings in personnel salaries of \$570,000. These major savings, together with annual savings in such matters as machine rentals and housekeeping services, will accomplish a total annual savings of approximately \$720,000, as contrasted with the approximately \$300,000 that would be saved by moving into Government-owned space in New York. In this connection, it should be noted that because of the substantial savings resulting from the integration, it is expected that the complete cost of the move, approximately \$214,000, will be amortized over a 4-month period.

With regard to allegations which have been made that other agencies will move into the space at 111 East 16th Street to be vacated, if this ultimately is the case, it will be by reason of the inability of the Government to find suitable Government-owned space for all agencies in the New York area and in any event, these agencies would be moving from high-cost space into relatively low-cost space thus actually realizing an overall savings in rentals being paid by the Government.

In addition to sizable economies effected by the move, the move to Philadelphia will permit the grouping together of the pur-chasing and inspection activities, now in New York, with the closely related acceptance testing, manufacturing, and Governmentfurnished property functions now at the Philadelphia depot. The ready availability

of expert advice and assistance from all these closely related activities will materially assist the contracting officers and purchasing personnel in a more efficient administration of contracts to the benefit of both the Government and Quartermaster contractors. For many years and throughout World War II, Quartermaster clothing and textile procurement was successfully performed at the Philadelphia depot. Moreover, the Marine Corps procurement operation is conducted at Philadelphia as well as the Navy General Stores Supply operation. The Navy clothing and textile procurement which will remain in New York is only about one-fourth that of the Quartermaster Corps.

Although lt is recognized that the New York area has a larger concentration of the clothing and textile industry than does the Phlladelphia area, as a matter of fact this Industry is not centralized in any one locality but is scattered throughout the eastern seaboard area. The majority of the procurement effected by the New York Quartermaster Purchasing Agency normally is conducted through the process of formal advertising which does not require personal contact or negotiation between Government purchasing personnel and contractors or their representatives. This method requires that many facets of procurement and contract administration must, in any event, be reduced to writing and carried out through letter correspondence in order to comply with law, regulations, and contractual terms and in keeping with orderly business practices. In consideration of these factors, it is considered that any large communication and transportation center in the general area is a satisfactory location for a central purchasing office. Philadelphia is only 90 miles from New York, and no undue burden on that segment of industry maintaining offices in the New York area is foreseen by reason of the removal to Philadelphia.

Allegations have been injected concerning problems and costs of recruitment and training of personnel which will be made neces-

sary by the move.

The majority of the employees not moving to Philadelphia are in the lower grades for which recruitment should present little or no problem in Philadelphia. A large proportion of the technical or key employees are expected to move. The current Civil Service Commission lists at Philadelphia show a significant number of eligible applicants with purchasing experience, some of them separated Government career employees, who should be able to qualify for the technical

or key positions.

Training and recruitment of employees is a continuing personnel administration process. Any costs involved are intangible accounting costs which will not require any budgetary or funding actions. The recruitment and training activity can and will be phased carefully into normal operations and any disruption of operations will be of a minor and temporary nature. Under the conditions expected to exist, the Army will not ask for or expend any additional dollars on recruitment and training of the personnel who will have to be recruited in the Philadelphia area.

Every effort is being made to place the employees of the agencies being moved in other jobs either in Government or private indus-Thus far this placement operation is considered to have been very successful. In this connection it is emphasized that only 63 military and 987 civilian personnel are affected by the move to Philadelphia and not the 1,600 that have been alluded to in various statements. Although the Quartermaster Corps does have more than 1,600 employees attached to its activities in the New York area, the balance over and above the 63 milltary and 987 civilian personnel either are remaining in the New York area with activities which must remain there or are personnel assigned to field activities scattered throughout the country.

throughout the country.

Members of Congress and representatives of Quartermaster employees affected have been afforded opportunities for presentation to Army officials of evidence and argument in opposition to the relocation to Philadelphia. The points presented in opposition to the move had already been carefully studied and it was determined that nothing had been presented which justified reconsideration and of the decision to effect the relocation. The reasons for the move were explained in detail at these meetings.

Mr. SMITH of New Jersey. Mr. President, as representing in part the State of New Jersey, I shall support the Committee and oppose the amendment by which the Senator from New York is attempting to prevent the transfer of the Army Quartermaster Purchasing Agency from New York to Philadelphia. New Jersey has a special interest in this matter, for although neither location is within the State, a substantial number of New Jersey residents will be affected.

I oppose the amendment as interfering with the orderly management of the Army and as a needless extravagance. The Department of the Army has stated that this agency is being returned to Philadelphia in line with its policy of relinquishing leased space to utilize Government-owned space. The agency had been located in Philadelphia until 1945. Further, some \$700,000 will be saved annually, as the Senator from Pennsylvania has just said, through reductions in personnel and savings in rental payments which this move will make possible. This is one economy which clearly promotes military efficiency.

I desire to go on record as supporting the position of the committee in the matter.

Mr. DUFF. Mr. President, I rise to a point of order that this amendment to a general appropriation bill proposes general legislation which impliedly authorizes the Committee on Organization of the Executive Branch of the Government to carry out a statutory duty not heretofore imposed or provided by law.

The PRESIDING OFFICER. The Chair will state that an amendment of this nature offered to any appropriation bill would be legislation, and would not be in order. Therefore, the point of order is sustained.

The bill is open to further amend-

Mr. PASTORE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill is open to further amendment. Mr. KENNEDY. Mr. President, I ask unanimous consent that the figures on page 6, line 17, and on page 9, line 3, of the bill, agreed to yesterday as an amendment offered by the Senator from Virginia [Mr. Byrd], be considered as the original text for the purpose of further amendment.

The PRESIDING OFFICER. Is there objection to the request?

Mr. FERGUSON. Mr. President, reserving the right to object, yesterday amendments offered by the distinguished Senator from Virginia [Mr. Byrd], and agreed to, did make changes in certain figures, as indicated in the unanimousconsent request. They were in fact technical alterations, because the money would have to be paid into the Treasury. Therefore, while the money is appropriated for the purposes set forth, the funds would not be expended in the usual sense of the word, because counterpart funds of other nations would be used. So I see no reason why the amendments of the Senator from Virginia should be considered, in the ordinary sense, as being amendments in the second degree. The amendments are for bookkeeping purposes only.

I do not think the procedure now proposed should be considered as a precedent. So far as the Senator from Michigan is concerned, as the Senator who is handling the bill on the floor, I would have no objection to such procedure, but I thought there ought to be an explanation, and I have tried to make one in my statement.

I hope there may be a vote on the direct question of whether or not we will compel the Department of Defense and the President to keep two more divisions in the Army, and draft from civilian life a certain number of personnel in excess of the number who would otherwise be drafted, and thereby require the expenditure of additional money. Shall we impose the judgment of the Congress as to the number of personnel required in the military service? The Congress ought to obtain evidence on that question, rather than attempt to resolve it by a reconsideration of the particular Byrd amendment, referred to by the Senator from Massachusetts, which is only a technical amendment, and which will be in conference with the House of Representatives.

I hope no Senator will object to the request.

Mr. MAYBANK. Mr. President, if the distinguished Senator from Massachusetts wishes to amend the bill in other respects, he can very easily do so. Therefore no privilege whatsoever would be granted to him by acceding to his request.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Massachusetts? The Chair hears none, and the request is granted.

Mr. KENNEDY. Mr. President, I am very grateful. The Senator from Michigan has always been very fair and courteous.

I now call up my amendment designated as "6-16-54-B," which is at the desk.

The PRESIDING OFFICER. The clerk will state the amendment.

The Chief Clerk read the amendment offered by Mr. Kennedy for himself and other Senators, as follows:

On page 6, line 17, strike out "\$4,157,013,-000" and insert in lieu thereof "\$4,307,479,-000"

On page 9, line 3, strike out "\$3,060,189,986" and insert in lieu thereof "\$3,260,189,986."

Mr. KENNEDY. Mr. President, the purpose of the amendment, which is offered on behalf of myself and the Senator from Tennessee [Mr. Gore], the Senator from Montana [Mr. MANSFIELD], the Senator from Missouri [Mr. SYMING-TON], the Senator from Minnesota [Mr. HUMPHREY], the Senator from Oklahoma [Mr. Monroney], and the Senator from New York [Mr. LEHMAN], is to maintain the strength of our Army at its present level of 19 divisions. The pending Defense appropriation bill—which cuts the Army appropriation \$5.3 billion or 41 percent below last year's level, and would cut at least \$4 billion or 30 percent in estimated total expenditures—requires a reduction in Army forces to 17 divisions by the end of fiscal 1955. This cut, which would be accompanied by a cut in military personnel of 230,000 men, or 16 percent, would be a further cut imposed upon the cut of 1 division which has already been made since the beginning of this year, when we had 20 divisions. It is my understanding that this 2-division cut, which our amendment is intended to prevent, will leave the United States with only 6 combat divisions in the Far East and only 5 in Eu-

Mr. President, if we could safely assume that such a cut would in no way reduce our armed strength, or if we could safely assume that there will be a reduced need for military manpower, or if we could safely assume that the threat and military power of the Soviet Union were being similarly reduced, then we would be more than justified in supporting a cut of the magnitude contained in this bill. Certainly none of us is desirous of maintaining an excessive military establishment.

But the fact remains that, whatever assumptions might have been possible in August 1953, when this budget was developed, or whatever assumptions might have been possible in the spring of 1954, when it was presented to the Senate Appropriations Committee, we cannot safely make such assumptions on June 17. 1954.

First, the proposed reduction in the Army budget will give us less security. It is all very well to hope that our New Look atomic deterrent power will prevent an outbreak of war; to hope that other nations will take up the slack caused by the reduction in our manpower; and to hope that the United States will not be forced to intervene in Indochina or anywhere else on the globe. But these hopes, expressed by the able Senator from Michigan [Mr. Ferguson] yesterday, neither give us more security nor conceal the fact that this slash in Army strength will give us less security. General Ridgway testified before the Senate committee-page 59-as follows:

We are steadily reducing Army forces—a reduction through which our capabilities will be lowered while our responsibilities for meeting the continuing enemy threat have yet to be increasingly lessened. * * * This reduction in strength has made it necessary for the Army to reevaluate its military program, its present force structure, and its worldwide deployments.

Earlier, he had told the House Appropriations Committee-page 54-that:

A reduction in the order of magnitude that we are making will certainly, when completed, leave us with less combat effectiveness than we had when we started.

And he agreed that our much heralded new weapons will not be of particular benefit in replacing ground forces during the coming fiscal year.

Similar statements by Secretary Stevens and General Honnen, Chief of the Army Budget Division, make it clear that the overall combat effectiveness of the Army by the end of 1955, even with gains we could make with improved weapons, will be somewhat less than it is today.

Therefore, in considering the statement made just a few minutes ago by the Senator from Michigan, whether we should attempt to place our judgment above that of the President in submitting his budget, I would state we can conclude from these statements as well as anyone else that if the Army budget proposed by the Senator is accepted, our combat effectiveness will be less at the end of fiscal 1955 than it is now. Therefore, looking into the future, it is necessary for us, as well as for the President, to judge whether there is need, considering world conditions, for a stronger or for a weaker combat effectiveness of the Army. I can reach no conclusion other than that there will be need for a stronger combat effectiveness.

Mr. MONRONEY. Mr. President, will the Senator from Massachusetts yield to me?

Mr. KENNEDY. I yield for a question. Mr. MONRONEY. I should like to associate myself with the remarks made and those being made by my distinguished colleague from Massachusetts. It appears to me that, in the light of the evidence we have in the testimony which has been quoted and in the light of the deteriorating and steadily worsening condition in the Far East, the Congress, which under the Constitution, is charged with the duty of raising and maintaining armies, would be turning its back on its very definite responsibility if it were to permit the ground forces of the United States to be weakened.

When this budget was sent to Congress, we still dreamed beautiful dreams that a peace might come out of Korea. as a result of the armistice that had been agreed to by the Eisenhower administration. However, only a few days ago we saw the collapse and the breaking off of those peace negotiations and the effort to settle the Korean armistice. So, instead of achieving peace in Korea and being able to bring home our troops, we still face a most uncertain, difficult, and dangerous situation there.

We had a total of 20 divisions when we were fighting in Korea, but the situation now is worse than it was then, in that-to quote the President and others—all of Southeastern Asia is likely to fall like a row of dominoes falls, when one, in falling, knocks down all the others.

Certainly nothing that has been placed in the RECORD or stated in the testimony is sufficient to make me believe that our supersonic aircraft or our hydrogen bombs or our atomic bombs or even our guided missiles will enable us to main-

tain, somewhere in Southeastern Asia, a line which can be used as a bulwark to prevent further Communist aggression.

Mr. KENNEDY. On that point I wish to say to the Senator from Oklahoma that, as he knows, we have in Europe approximately six divisions to fulfill our obligations under NATO. If a Southeastern Asia defense pact is entered into, we must assume that the United States will make a commitment of manpower in that connection. However, today-and particularly if the cuts now proposed are actually made-the United States will not have any manpower to use in implementing such a defensive past for Southeastern Asia.

Mr. MONRONEY. Certainly the Senator from Massachusetts is correct, because in view of the difficulty in bringing about a southeastern Asia pact, we have no reason to expect that our contribution to such a pact would be limited to naval vessels or high altitude bombers. On the contrary, we must realize that we would be expected to contribute some ground forces, to serve alongside the ground forces contributed by the other countries joining in the pact. those ground forces would be needed in order to maintain a line of defense in that area. We would not be able to say to the other countries, "Let your troops do the fighting and the struggling in the jungles, and we will confine our operations to the high seas or to high altitude aircraft operations." Such an arrangement simply would not work.
Mr. KENNEDY. As the Senator

from Oklahoma knows, one of the reasons why the United States made a commitment of manpower in connection with NATO was, not because our population is as great as the combined populations of the other countries who are participants in NATO, but because we thought that if we contributed some of our ground troops at the beginning it would serve as a stimulus to the other countries to put their ground troops into the field.

Therefore, if the United States had no ground troops to make available inconnection with a southeastern Asia pact, it would be far more difficult to encourage the countries of Asia to arm.

Mr. MONRONEY. Furthermore, if we had not contributed any ground forces to NATO, could we reasonably expect to have any voice in the determination of the strategy of NATO operations on the ground? In the same way, would not we have to yield control of the ground forces to the other participants in the southeast Asia pact, if we had no troops to contribute?

That is correct. Mr. KENNEDY.

Furthermore, if the only contribution we can make is in high-altitude bombers and the hydrogen or atomic bomb, the countries of southeast Asia may feel that Communist success is preferable to atomic or hydrogen warfare. Therefore, it seems obvious that we cannot safely place all our reliance upon weapons of an atomic nature.

Mr. MONRONEY. It seems to me that the news that we are reducing the strength of our forces to three divisions below their strength of last year; that we are deactivating two combat divisions, and will have three divisions less, this year, than we had last year, will be somewhat of an invitation to the Chinese Communists or the Russian Communists-of course, all the Communists are of one pattern-to engage in further aggression. It will tend to show a definite decrease in the resistance on the part of the free world to the type of warfare which has been described by the Vice President of the United States as nibbling off pieces of the world, bit by bit. If we do not have sufficient ground forces in being, we shall be powerless to resist, and even powerless to make a psychological impact upon the Communist mind, because by means of this appropriation bill we shall be proving to them that Uncle Sam, the leader of the free world, does not intend to maintain his ground forces at sufficient strength to be able to have a great impact on the side of preserving the peace.

In my book, the additional divisions we propose are insurance against world war III; they are our insurance for peace. Perhaps even then we shall not be buying enough insurance; but certainly it will be in the right direction. Certainly by having ground forces in being, ready to move anywhere in the world, we shall have the type of insurance policy we shall need if we are to help avert the holocaust of an atomic or hydrogen world war III.

Let me remind the Senate that because we were unprepared and because we did not have a large standing Army, and because we did not have an adequate Air Force and because we did not have a Navy of sufficient size, World War II descended upon us, and we were involved in it, and that war, in addition to the hundreds of thousands of casualties, cost us, in terms of Amer-

ican wealth, over \$400 billion.

On the other hand, if we are so stupid, because of a lack of preparedness and a lack of readiness, as not to do the things to prevent world war III from occurring, world war III, measured on the basis of World War II, plus the inflationary impact, would be a trilliondollar war.

Yet some are opposed to an amendment that seeks to add only \$350 million, in order to give us the minimum amount of ground strength I believe the United States must have. We actually need more. However, to say that the United States cannot afford the two extra divisions here proposed is to say that we cannot afford to provide the forces that will help us and the rest of the world to remain free.

Mr. KENNEDY. In answer, Mr. President, let me say first that the reduction to 17 divisions was made, according to the testimony of Secretary Stevens, on the basis of certain assumptions: First, that the buildup of the South Korean forces would continue; second, that the buildup of the police force of Japan would continue; and, third, that no additional demands would be made upon our Army manpower.

But along with the buildup of the forces of South Korea and of the police force of Japan there has been a tremendous buildup in the North Korean Army, the Chinese Communist armies, and, in particular, the armies of the Viet Minh, which, as we know, in the past 5 or 6 months have added materially to the manpower balance on the side of the Communists.

Secondly, as the Senator from Oklahoma has suggested, this budget was made in August, shortly after the Korean war had officially ended. At that time we thought we would achieve success in Indochina by June 1955, through the Navarre plan.

Now the Korean truce talks have broken down. Indochina is falling into the hands of the Communists. Therefore, it seems to me that if we do not reconsider our estimates of a year ago, we are giving away all the advantages of the 9 months we have had since the original budget was made up. Moreover, the restoration of \$350 million would still mean that the budget would be less than the amount requested by the President. Such restoration seems to me to be the minimum we should do.

Mr. LEHMAN. I wonder whether the Senator from Massachusetts was in the Chamber yesterday when the distinguished chairman of the appropriations subcommittee [Mr. Ferguson] and I had a colloquy. To refresh the memory of the Senator from Massachusetts with respect to one small part of the colloquy, I read from page 7889 of the Recorp:

Mr. Lehman. I wonder whether the distinguished Senator from Michigan would advise the Senate whether, in his opinion, the situation in the world is less serious today than it was a year ago.

To which the chairman of the appropriations subcommittee replied:

I say frankly that I do not know the answer to that question.

The chairman of the appropriations subcommittee, of course, is expected to know, and probably does know, more about the situation and the requirements of the military than do the rest of us. Yet he is unable to answer the question. The question goes to the very heart and root of the amount which we must spend in providing the proper defense forces. When he does not know the answer to that question, is it not a most surprising and amazing situation that we are confronted with a budget for the Department of the Army which is \$5,318,000,000 less than that of a year ago?

Mr. KENNEDY. I agree with the Senator from New York. There does not seem to be any coordination between the statements of the Secretary of State and others as to what action the United States should take to prevent the fall of southeast Asia, and these budget figures. It seems to me that they are operating on two entirely different levels. On one level there is the assumption of a long haul without a year of maximum crisis. On the other level there is the assumption that if we are not called upon to take part in military action in southeast Asia, at least we shall be called upon to join in a collective pact in that area.

Mr. LEHMAN. In the cut of \$5,318,-000,000, which certainly does not seem to me to be justified, there is included a

reduction which will result in the diminution of our ground forces to the extent of 230,000 men, or a decrease of about 18 percent. We are trying to restore that cut by the amendment offered by the Senator from Massachusetts. It is only a small part of what I consider to be an unjustified cut of \$5,318,000,000. Nevertheless, it is an extremely important item.

Mr. KENNEDY. Even if the amendment is accepted, we shall still have one division less than we had in January of this year.

Mr. LEHMAN. Yes.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MONRONEY. Yesterday, in answer to a question as to what would take the place of those two divisions in military strength, the distinguished chairman of the subcommittee referred to our reserves. Is it not a fact that most of the reserve manpower we would have to call up in order suddenly to reactivate the 2 divisions or 3 divisions would be the same men, in many cases, who had seen service in World War II, who were recalled to duty in the Korean episode, and who would be facing a third period of service? I know of no other reserves who are trained and combat ready, or capable of understanding the problems of combat.

However, we can take men who have never seen service, train them adequately, and bring two divisions up to combat strength and readiness. It requires perhaps 18 months, in many cases, to bring a division to the point where the loss of life, if it goes into combat, will not be extremely high. One thing we cannot buy is time. While we may have a few precious months of time, we must not rely upon calling back into service men who have experienced so much of the pain and weariness of battle. Secondly, we must be able to train the younger men who may be called uponwe pray that they may not be-to fight in defense of the Nation.

Mr. KENNEDY. The Senator probably knows more about that subject than anyone else, because I believe the 45th Division, the Oklahoma division, was called to serve in Korea. Many of the men who served in that division had served previously in World War II.

Mr. MONRONEY. That division had

Mr. MONRONEY. That division had more days of combat in World War II than any other division save one. Most of the officers and many of the noncommissioned officers were men who had seen service in World War II. They were called back into the service, and gave up their jobs and their businesses. They answered the call in good spirit and they wrote a distinguished record in Korea. I think it is expecting too much to put the burden for the third time on the men who have borne the brunt of battle for the Nation in two other wars.

Mr. KENNEDY. I agree with the Senator.

The proposed reduction in the Army budget is inconsistent with the increasing threat of Communist military power. It is the height of folly to reduce our strength when the Soviets are increasing theirs. General Ridgway testified that-

The military power ratio between Western defense capability and the Soviet bloc's capability is not changing to our advantage—the strength of the major components of Soviet bloc military power continues to increase—unaccompanied by an offsetting increase in allied strength.

I invite the attention of the Senator from Michigan to this statement. The Senator states that we are putting our military judgment above that of the President. But I am quoting a member of the Joint Chiefs of Staff, who sets down the simple fact that the balance of military power is changing against us.

Mr. MANSFIELD. Mr. President, will

the Senator yield?
Mr. KENNEDY. I yield.
Mr. MANSFIELD. Of course, I accord all honor and respect to the President, but I do not believe that merely because he was once a great military man he knows the answers to all the military and political problems. If my memory serves me correctly, he was Chief of Staff at the same time Louis Johnson was Secretary of Defense, in a Democratic administration. I recall how weak our country was before Korea because of the recommendations made at that time. So I do not think the President is infallible. The Senator from Massachusetts is to be commended for offering this amendment, which, of course, is in the best interests of the security and welfare of the country as a whole.

Mr. KENNEDY. We have had an opportunity in the past 12 months to review the situation. I think everyone would agree that the United States would be in a better position today if it had used the money which was saved last year through the cuts in the Air Force appropriation, to strengthen our Air Force and bring it to a peak sooner than 1957. We have had an opportunity to see how a miscalculation was made concerning the pace of world events. Since this budget was prepared, we have had another opportunity. The President's judgment is probably better than the judgment of most of us; but since the President and the Budget Bureau originally suggested this budget, we have had an opportunity to take a second look. I think that second look should convince us of the necessity of strengthening our Armed Forces.

Mr. MANSFIELD. That second look has brought about serious considerations because the policy has been off and on, up and down, so far as the situation in Indochina and southeast Asia is con-

cerned.

Mr. KENNEDY. The Senator knows better than anyone else, because he has seen the stateements of Secretary Dulles, Secretary of Defense Wilson, and others. that our whole strategy in southeast Asia was based upon the presumption that the Navarre plan, which called for success in Indochina in 1955, would be successful. As late as March of this year, Secretary Dulles reaffirmed his support of the Navarre plan, as did Admiral Radford, Chairman of the Joint Chiefs of Staff. The Navarre plan failed. We would be fortunate to hold any position in Indochina. That fact alone should indicate a new look at our defense

Mr. MONRONEY. Especially in view of the fact that we have really very little in the way of a strategic mobile reserve.

The Senator from Massachusetts mentioned something about the Air Force cutback last year. I presume he is aware of the fact that Gen. Curtis LeMay's Strategic Air Command is now about 40 percent short in the most highly technical categories of maintenance personnel, and about 20 percent short in the next group.

It is my understanding that some months ago there was a crash of an airplane in the Strategic Air Command, and it was blamed on a crew chief who was only 19 years of age. I believe that is an important fact to consider because the SAC is the massive retaliatory striking arm of our armed services. If there are these shortages and if there is this dependency on a crew chief, in this case, only 19 years age, then I think it is time that we take a new look at the New Look and try to bring about a greater degree of security in the 4 branches of our armed services.

Mr. KENNEDY. I appreciate the Senator's remarks.

The President, on January 21, stated that the reduction of two divisions was "made possible by the cessation of hosamong other reasons, but what are the possibilities of new hostilities on June 17? Secretary Wilson justified this budget in March upon his assumption that "the threat to our security will not reach a peak at any particular point in time." But in June the recent events in Indochina, Geneva, Paris, and elsewhere indicate to me that the peak threat to our security is being reached very rapidly.

I again state that the presumption upon which the budget was based was the long haul and that the year of maximum danger on which, since 1951, the Chiefs of Staff had operated was 1954, and it is apparent that that presumption has been set aside. The presumption now is to maintain military strength for the long haul, with a view toward maintaining a reasonable degree of military security but emphasizing the strength of our economy. It seems to me that the events of the last 2 months have indicated that that view is not sound.

On March 15, long before the fall of Dien Bien Phu and the negotiations for SEATO-which, if to be realistic, will surely require United States strength comparable to our five NATO divisions, Secretary Stevens stated that: "A 17division force is predicated upon certain basic assumptions," including not only the assumption that hostilities in Korea will not be resumed, but also that no additional requirement is made upon the Army.

General Ridgway, in discussing the growth in Soviet nuclear weapons, the progress of the military forces in North Korea and Communist China from the status of mere masses of riflemen toward the status of a more modern Army and the menace which exists at every significant point of contact between the Soviet bloc and the West—including Germany, Yugoslavia, Turkey, Iran, Pakistan, and the entire Far Eastern area-emphasized what he called the increasing threat to the United States and the unabatement of the ultimate intentions of the Soviet bloc to bring about our downfall.

Third, The proposed reduction in the Army budget unduly emphasizes budget savings over national security. General Ridgway accepted this budget, he

testified only because-

It has been my unvarying position that when a career military officer receives from proper superior authority a decision, that regardless of his views previously expressed, he accepts that decision as a sound one, and he does his utmost within his available means to carry it out.

Although the general asked for opportunity to express his views in executive session, he testified in his prepared statements that-

This budget seeks to achieve the maximum combat capability for the Army within the means provided by national policy * * * The Army has been guided in the preparation of this budget by basic economic and strategic decisions which have been made at a higher level. * * * The Army believes that the programed distribution of strength and forces for fiscal year 1955 is the best attainable within the authorized end strength of 1,172,700 personnel.

Mr. MAYBANK. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield. I may say that the Senator from South Carolina was responsible for eliciting many of these statements.
Mr. MAYBANK. I should like to say

to the distinguished Senator from Massachusetts, who is referring to the budget, that I tried to make plain yesterday, because I have a great respect for the President's ability and military genius, that the President himself in the budget recommended a billion dollars more than is contained in the bill which is now before the Senate.

Mr. KENNEDY. That is correct. Mr. MAYBANK. General Ridgway, who testified about the budget, knows that he can transfer certain funds in the budget, if he has the authority to do so. However, the President himself recommended a billion dollars more than is contained in the bill before the Senate at the present time.

Mr. KENNEDY. That is correct.

Mr. MAYBANK. I want to make that

point perfectly clear in the RECORD.

Mr. KENNEDY. That is correct. The amount we are calling for is one-third of that amount.

Mr. MAYBANK. Therefore the President's request is still being reduced by more than \$600 million.

Mr. KENNEDY. That is correct.

Mr. MONRONEY. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. MONRONEY. Is it not also a fact that if Congress enacts the \$350 million provision, we will not be compelling the President of the United States or the Defense Department to establish the two additional divisions, and that the President will still have the right to reserve whatever money he feels should be reserved?

Mr. KENNEDY. It is my hope and it is the intention of the amendment that the President will maintain our armed

strength at 19 divisions.

Mr. MONRONEY. That is our desire, and that is the way the amendment is drawn. However, if the President should choose to defy the will of Congress in putting this money into the pending bill for that purpose, it still would not be certain that we would get the two additional divisions.

Mr. KENNEDY. There is no doubt that the President probably would have such control, as it is impossible for us, because of the parliamentary situationan amendment carrying out that purpose would be legislation on an appropriation bill-to bind the President. Nevertheless, it is our hope, if the amendment is adopted, that the money will be spent for the purpose indicated.

Mr. MONRONEY. It is the policy of Congress that it be spent for that purpose. I was merely answering the remark of the chairman of the subcommittee when he stated that we would absolutely be forcing the President to establish the additional two divisions even if he found the provision to be completely obnoxious and unsound, in his

judgment.

Mr. KENNEDY. Yes; it is unfair to give as the only justification for the budget—and it is not the only justification the Senator from Michigan is giving-that the President, a most skilled military figure, understands the situation, and therefore we should accept his judgment. We, too, have a responsibility in this matter. We have had an opportunity to observe what has been happening since the budget was submitted. It seeems to me we would be abrogating our responsibility if we did not exercise our best judgment with respect to what our armed strength should be during fiscal 1955. The question is whether greater strength rather than less strength will be necessary. That is the issue, and it seems to me that our judgment should be considered, along with that of the President.

Mr. LONG. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield. Mr. LONG. I wonder whether the Senator would be willing, instead of providing for two more American divisions, to spend the same amount of money in supplying 40 South Korean divisions, or 20 South Korean divisions, which would make it possible to bring home some of

General Van Fleet tells us that we can keep 20 South Korean divisions in the field for the cost of only 1 American division. In the face of the economics involved, does the Senator feel we should

keep six divisions in Korea? Mr. KENNEDY. I do not believe we can keep 20 Korean divisions in the field as against the cost of only 1 American division. Perhaps from the standpoint of the pay differential that may be true. although I would doubt that also. If the South Korean divisions used United States supplies, the proportion of cost would not reach such a large percentage, I am sure. I am merely giving what I believe to be the minimum number of divisions the United States should have. Of course we ought to rearm the South Koreans, and we are rearming them. However, I do not think that a country with the responsibilities the United States has should have less than 19 divisions of its own in the field during the coming year. That is my opinion.

I agree that we should devote all the effort we can toward arming the South Koreans and to some degree the Filipinos, if that is their desire we hope ultimately

that that will be done.

Nevertheless, if we join the southeast defense pact, the United States will have to make a contribution, and therefore 19

divisions will be required.

It must be remembered that the other countries in the NATO pact are far wealthier than are the countries of Southeast Asia. Nevertheless. United States still must contribute about one-third of the first class divisions which are available for the defense of Western Europe. Therefore, I believe the United States must have its own forces available to meet the commitments it may have to meet. I am giving merely the minimum figure for the United States, and not the total defense needs of the free world.

Mr. LONG. Has the Senator read the very fine article, written by General Van Fleet, which was published in the Reader's Digest and reprinted in the Congres-

SIONAL RECORD?

Mr. KENNEDY. Yes; and I have seen some other figures in addition to the ones referred to by the Senator from Louisiana, as to what the total cost of a South Korean division is as against the cost of an American division, fully equipped by the United States. I do not believe the ratio is 20 to 1.

Mr. LONG. If the Senator will read the article to which I have referred I believe he will find that General Van Fleet stated that we can both equip and maintain a South Korean division for onetwentieth of the expense of equipping and maintaining an American division.

I would not propose to equip them with anything like the great amount of heavy equipment with which we equip our American troops in the field. That the South Korean divisions are, perhaps. man for man, as good as American divisions was demonstrated by the fact that those very divisions were holding 75 percent of the battleline in Korea.

Mr. KENNEDY. I do not think the Senator would suggest that we would have the same control over South Korean divisions we would have over our own divisions, particularly in areas outside of Korea. We have responsibilities which Korea does not have. Therefore, I consider the minimum figure, in order to meet those responsibilities, to be 19 divisions. Beyond that, I should be de-lighted to see additional funds made available to train additional South Korean divisions. But I believe the minimum figure for ourselves should be 19 divisions.

Mr. LONG. Does the Senator think it is humanly possible for this Nation to

equip even half the number of ground troops in Europe that would be required to hold Europe against the enemy?

Mr. KENNEDY. The divisions now in Western Europe prevent the Soviets from seizing Western Europe without reinforcing the number of divisions they have in Eastern Germany. That would take a month or so, and would give us some warning if they began to reinforce those divisions. If it were not for the presence of United States divisions, Western Europe would be in far greater danger, and, moreover, the governments in that area would be far less able to control the situation.

Mr. LONG. The chief advantage of keeping American troops in Europe is that it makes it very clear to any ag-gressor in that area that the United States will definitely be in the war if an attack occurs. It is a total impossibility for us to maintain sufficient American troops to protect the entire

area from being overrun.

I should like to suggest, further, that in the judgment of some of us it would be very foolish for the Soviet Union to follow the concept which some military men suggest, of undertaking in advance a great buildup for months in Europe before she made known her intention to attack, which would give us an opportunity to prepare for it.

Mr. KENNEDY. I think that is the value of having troops stationed there.

Mr. LONG. In my judgment, she would make a surprise attack through the air, or by guided missiles, if she thought it would be possible to gain complete advantage.

Mr. KENNEDY. That is correct. Therefore, I say there is some advantage in having our troops in Western Europe. I am sure we are not disagreeing about the necessity of training Asiatic divisions, but, in view of our own responsibilities, I do not think we should reduce the number of American divisions,

Mr. LONG. I differ with the Senator with reference to concentrating our expenditures in such a way as to involve a waste of manpower, with men sitting around with nothing to do. What we are going to need is weapons with which to defend the United States, weapons of an atomic nature, in case an aggressor nation should undertake to attack us. Any nation that wanted to attack us would not have the power to transport all the necessary troops overseas.

Mr. KENNEDY. I am pointing to our experience in Southeast Asia, where the offense is not sufficient to cause us to commence hydrogen or atomic warfare against either China or Russia. I assume that if we are to be successful in preventing a Southeast Asia attack, we shall have to have greater divisional strength.

Mr. LONG. Having had some experience with the question, and having had the opportunity to study the testimony given before the Armed Services Committee, it is my feeling that we should try to purchase our defense so that dollar for dollar we shall be getting the most for the money we expend. When I hear of all the things we would like to have, it seems to me we would be

wasting our money if we tried to obtain them, and that we would be better off by finding out how much money we can raise, and then proceeding to get the most we can for our money. We could get 40 divisions of native troops armed and equipped to meet any enemy's onslaught. That is what General Van Fleet recommended.

Mr. KENNEDY. Mr. President, the emphasis given by Secretary Wilson and others to the necessity of maintaining the cost of national security at what he called a bearable level "over the long pull" indicates that budget reductions are a primary feature of the New Look military policy, and a primary consideration in the elimination of these two Army divisions. Indeed, the boast was made in the other House that these Defense Department reductions are largely responsible for the \$7.4 billion tax reduction which the House has already voted this year.

But a budget reduction—an objective which we all share—should be an objective secondary to our national security and our responsible leadership in world affairs. Today what we shall afford should not be determined on the basis of whether the budget is balanced, but on the basis of expenditures which give us a clear margin of superiority over our enemies. If the weaknesses resulting from these cuts in Army strength invite an attack in Indochina or Korea, our savings would be paid for many times over.

Moreover, our amendment to restore these two divisions will cost a total of only \$350 million, less than the pending bill has already cut from the total Army budget submitted by the President, and far less than its billion-dollar cut from the total Defense budget as submitted. Our amendment, therefore, will in no way contribute to an imbalance of the President's budgetary policies, or weaken this Nation economically in future years.

If we are to make and keep America strong in an age of peril, we will not permit this reduction in the effectiveness and strength of our Armed Forces. Permit me to say, as Henry Clay at the age of 33 told the Senate in 1810 in urging strong military measures just prior to the War of 1812:

I call upon the Members of this House to maintain its character for vigor. I beseech them not to forfeit the esteem of the country.

For, Mr. President, if the Senator from Michigan is proved to be correct by future events, then we shall have saved \$350 million, an important savings. But if future events prove right, the contentions of those of us who fear the consequences of weakening our armed strength—and I pray that we shall be proven wrong—then any action we take today which reduces our strength may well cost us heavily in terms of our security and freedom. Trouble and danger are our constant companions: our enemies are powerful and implacable. If in our judgment of future events we are to err, let us err on the side of strength.

Mr. MONRONEY. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. I yield.

Mr. MONRONEY. Mr. President, I was about to suggest the absence of a quorum, but I shall withhold my suggestion because I understand the Senator from Michigan desires to reply to the Senator from Massachusetts.

Mr. FERGUSON. Mr. President, has the Senator from Massachusetts yielded the floor?

Mr. KENNEDY. Yes. I hope to obtain the floor again in order to suggest the absence of a quorum before a vote is taken on the amendment.

Mr. FERGUSON. Mr. President, the question now before the Senate was debated yesterday. I am not posing as an expert; I am merely trying to present the facts and figures. I am trying to state the views of the Department of Defense. I am citing and quoting those who have charge, under the President of the United States, and through him, of providing for the common defense.

It is true that under the Constitution Congress must appropriate the money to raise and support the Armies of the United States. I do not desire the Senators who are proposing the amendment to be misled about the cost of keeping the two divisions in being.

When I stated yesterday that it would be necessary to draft about 10,000 men a month for 10 months, or a total of 100,000 men, to keep the two divisions in being, I intend to say that the men who are now in those divisions will not remain in them.

It had been indicated that it was intended to compel the men who are in the divisions to remain in them. Their terms of service, under the draft, or under their voluntary enlistment, will expire, and they will be leaving the Army. I have tried to obtain the figures which indicate the number by which it will be necessary to increase the draft calls in order to be able to man the two divisions.

I said yesterday that an additional 10,000 men a month would be required to be drafted in order to keep the two divisions in being. That figure is only a partial number of those who would be needed and would have to be taken into the service. It allows for two divisions, but it does not allow for needed training establishments and a personnel pipeline sufficient to make combat ready, at full strength, all the existing divisions and two additional divisions.

I desire the RECORD to be clear, so that the Senators who are proposing the amendment will understand, that the two new divisions sugested will require the drafting of an additional 247,000 men, plus 13,000 officers, totaling 260,000 for a 12 months' period. I do not see how the President of the United States could say, in view of the statements made in the Senate by the sponsors of the amendment, that he would not be compelled to keep those two divisions in the Army. It is not said by the sponsors of the amendment where the divisions shall be stationed; it is simply said that the Army shall keep ready the two combat divisions whose term of service, of course, from time to time would expire.

The information I have received is that from August to November it would be necessary, if the amendment were

adopted, to draft 32,000 men a month in addition to the 23,000 now being drafted, and 17,000 a month from December 1954 to June 1955.

It has been said today, in effect, that it is desired to compel the President to keep the two divisions in Korea, so as to build up the South Korean divisions. If the personnel which would be required to accomplish this were sent to Korea, it would be necessary to send their dependents across the ocean at a cost of thousands upon thousands of dollars. I do not think the figure of \$1 billion, which I cited yesterday, is too low for the purpose of keeping the two divisions in the field. If they were sent abroad, 260,000 is approximately the number who would have to be drafted during a period of 12 months.

Mr. LONG. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. LONG. I intend to support the position of the Senator from Michigan. I suggest to him that his statement more than ever highlights the need of a good, effective Reserve program.

Mr. FERGUSON. That is correct.

Mr. LONG. Some time ago I had the honor of serving as chairman of a subcommittee which handled the last Reserve bill. I regret to say that we did not have the time in which to do justice to the subject. What is needed is large numbers of trained men who can readily be recalled from civilian life into uniform to serve as ground troops in the event another outbreak of fighting occurs. Likewise, I think it would be well for our allies to have reserves who could be called up and put into the field. It costs in a ratio of about \$1 to \$6 to keep a reserve available for every man on active duty.

Mr. FERGUSON. That is correct.

Mr. LONG. That is the kind of economy which we should be trying to effect. After all, no Nation in the world has the ships, either in terms of transports or fighting strength necessary to send 6, 8, or 10 divisions to the shores of the United States. There would be plenty of time for the United States to call up divisions from a Reserve status in the event they were needed.

Mr. FERGUSON. They could also be called from Reserve status and be sent into combat service abroad, if they were needed.

Last night, in order that accurate information might be available, if the Senate intends to compel the Army to have the two divisions, I asked the Under Secretary of the Army to provide me with figures, so that I might advise the Senate.

The Army estimates the cost during the fiscal year 1955 of maintaining two additional infantry divisions as presently deployed to be \$870 million. This would require the appropriation of \$505 million additional for military personnel, \$315 million additional for maintenance and operations, and \$50 million for procurement and production. All but the \$50 million estimated for procurement and production would require new appropriations. The \$350 million suggested by the amendment agrees

with the estimate of the operating cost for the two divisions; the remainder of the estimate is needed to augment both the training base and logistic pipeline necessary to maintain the additional divisions as presently deployed. In the event present deployments are changed to reduce the number of divisions in the Far East and to increase the number of divisions in the general reserve in the United States, the figures I have quoted can be reduced.

Mr. President, I think Senators should realize what they will be doing if they agree to the amendment.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Bartlett, one of its clerks, announced that the House had passed, without amendment, the bill (S. 2802) to further encourage the distribution of fishery products, and for other purposes.

The message also announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 5185) for the relief of Klyce Motors, Inc.; asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Jonas of Illinois, Mr. Burdick, and Mr. Lane were appointed managers on the part of the House at the conference.

The message further announced that the House had disagreed to the amendments of the Senate to the bill (H. R. 1839) to aid in the provision and improvement of housing, the elimination and prevention of slums, and the conservation and development of urban communities; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. Wolcott, Mr. Gamble, Mr. Talle, Mr. Kilburn, Mr. Spence, Mr. Brown of Georgia, and Mr. Patman were appointed managers on the part of the House at the conference.

RALSTON EDWARD HARRY

Mr. KNOWLAND. Mr. President, at the request of the distinguished minority leader, who has asked if it would be possible to do so, I desire to call up, out of order, Calendar No. 1603, H. R. 3350, for the relief of Ralston Edward Harry.

The committee report and the minority views are available to each Member of the Senate. The bill was reached on the call of the calendar last Tuesday, but objection was raised by the calendar committee. The report itself shows that there is an adverse recommendation from the Veterans' Administration and the Bureau of the Budget. The minority views have been filed on behalf of the Senator from Arizona [Mr. Goldwater], the Senator from Connecticut [Mr. Purtell], and the Senator from Nebraska [Mrs. Bowring].

Mr. President, I ask unanimous consent to have printed at this point in my remarks the committee report with minority views.

There being no objection, the report with minority views (No. 1591) was ordered to be printed in the Record, as follows:

The Committee on Labor and Public Welfare, to whom was referred the bill (H. R. 3350) for the relief of Ralston Edward Harry, having considered the same, report favorably thereon without amendment, and recommend that the bill do pass.

PURPOSE OF THE BILL

To grant Ralston Edward Harry, a citizen of the United States who served in the Royal Canadian Air Force during the period beginning September 1941 and ending July 1945, and who was honorably discharged from such service on June 26, 1945, eligibility to receive medical, hospital, and domicliary care in the same manner and to the same extent as persons who served in the active military or naval service, under honorable conditions, of the United States for an equivalent period during World War II.

GENERAL STATEMENT

Information presented to the committee during the course of hearings held on this bill indicates that Ralston Edward Harry, a citizen of the United States, voluntarily entered on active service with the Royal Canadian Air Force on October 27, 1941. He was honorably discharged from such service on June 26, 1945. There is testimony which indicates that after the United States entered World War II, Ralston Edward Harry made a number of efforts to transfer from the armed forces of Canada to those of the United States. He was unable to accomplish this objective and served with distinction for the duration of World War II with the Royal Canadian Air Force.

On May 14, 1949, Mr. Harry was severely injured in an automobile accident near Stroud, Okla. He has been almost a complete invalid since that date and the nature of his injuries is such that he will require at least some hospitalization and medical and nursing attention for the remainder of his life.

Information before the committee indicates that Ralston Edward Harry has received from the Government of Canada all of the benefits to which he is entitled under Canadian law as a result of his services in the armed forces of Canada. Medical and hospital care for non-service-connected disabilities are not among the benefits provided by Canadian law. Had he succeeded in transferring to the Armed Forces of the United States during the period of World War II, he would now be eligible for the benefits which this bill proposes to grant.

It is evident from information available to the committee, that neither Mr. Harry nor his family have the financial resources to provide the necessary and proper hospital and nursing care.

A suit at law which grew out of the automobile accident in which Mr. Harry was injured was settled for \$37,500. There is testimony to indicate that this amount has been entirely consumed. At present, and for some time past, the county welfare department has provided assistance, in the form of monthly checks which, together with such funds as the mother has contributed, have provided at least a minimum of nursing care and attendance.

DEPARTMENT RECOMMENDATIONS

The Veterans' Administration and the Bureau of the Budget submitted their views on this bill to the chairman of the committee.

The Veterans' Administration views were contained in its letter of April 13, 1953. The full text of which follows:

VETERANS' ADMINISTRATION,
Washington, D. C., April 13, 1953.
Hon. H. Alexander Smith,

Chairman, Committee on Labor and Public Welfare, United States Senate, Washington, D. C. DEAR SENATOR SMITH: Further reference is

DEAR SENATOR SMITH: Further reference is made to your letter of March 17, 1953, requesting a report by the Veterans' Administration relative to S. 1350, 83d Congress, a bill for the relief of Ralston Edward Harry, which provides as follows:

"That Ralston Edward Harry, a citizen of the United States who served in the Royal Canadian Air Force (15-R 134686) during the period beginning September 1941 and ending July 1945, shall by virtue of such service, be entitled to receive medical, hospital, and domiciliary care in the same manner and to the same extent as persons who served in the active military or naval service of the United States for an equivalent period during World War II and were honorably discharged therefrom."

S. 1350 is identical with S. 3018, 82d Congress, with respect to which the Veterans' Administration submitted a report to the committee under date of June 2, 1952. S. 3018 was pending before the committee at the close of the 82d Congress.

at the close of the 82d Congress.

The records of the Veterans' Administration disclose that Ralston Edward Harry (C-6214513), entered active service with the Royal Canadian Air Force on October 27, 1941, and was honorably discharged on June 26, 1945, by reason of "services terminated." It appears from information available to the Veterans' Administration that on May 14, 1949, Mr. Harry was involved in an automobile accident and sustained certain injuries, which are nonservice-connected, and which have necessitated his hospitalization for extensive period since that date. It is indicated that as of April 11, 1952, he was being hospitalized at county expense in Oklahoma City, Okla.

Under the provisions of the act of July 11, 1946 (60 Stat. 526; 38 U.S. C. 488a), the Administrator of Veterans' Affairs is authorized, in consideration of reciprocal services extended to the United States and upon a reimbursement basis, to furnish medical, surgical, and detal treatment, hospital care, transportation and traveling expenses, prosthetic appliances, education and training, or other similar benefits to discharged members of the military or naval forces of governments allied or associated with the United States in World War II. Before such services may be afforded by the Veterans' Administration, it is necessary that a request be made by the appropriate officials of the allied government, and that a law of the requesting government authorize for its veterans the type of benefit requested. Except in emergencies, no such hospitalization may be afforded in a Veterans' Administration hospital, unless there are surplus beds over and above the needs of United States veterans. However, the Administrator of Veterans' Affairs is authorized to contract for beds to render such services in private, State, or other Government hospitals.

With reference to Mr. Harry's case, the Veterans' Administration has been advised by the Department of Veterans' Affairs, Ottawa, Canada, that he has received all of the benefits to which he is entitled as a result of his service and that he is not eligible for any treatment. It is clear, therefore, that under existing law the Veterans' Administration is without authority to furnish Mr. Harry with medical and surgical treatment or hospital and domciliary care.

S. 1350, if enacted into law, would grant Mr. Harry entitlement to medical, hospital, and domiciliary care in the same manner and to the same extent as persons who served in the active military or naval service of the United States during World War II and were honorably discharged therefrom. Under existing law, persons who served in the active military or naval service of the United States during World War II, and who were discharged or released under conditions other than dishonorable, may be afforded hospitalization and outpatient medical treatment by the Veterans' Administration for disabilities incurred in such service. War veterans discharged or released from active service under conditions other than

and I express to them the undying gratitude of the family and friends of this young man.

Mr. SMITH of New Jersey. Mr. President, I should like to say a few words on this measure.

The bill has been a very difficult one in many ways, although not so difficult in others. A very conscientious subcommittee worked on the bill.

The principal difficulty arose from the fact that apparently a precedent might be established in connection with many of the cases arising under the Veterans' Administration.

We were embarrassed by the fact that for a number of reasons the Veterans' Administration and the Bureau of the Budget thought it unwise to have this bill enacted; and it was difficult for me, as chairman of the committee, to oppose the recommendations of those two important agencies.

However, by and large, the case seemed to be a very simple one. After all, there was no question as to the integrity of this young man or his distinguished service. The only thing to disqualify him was the fact that before the United States entered the war, he served, with great distinction, in the Canadian Air Force. However, as soon as the United States entered the war, he asked, on three different occasions, to be allowed to resign from the Canadian Air Force and enter the United States Air Force; but the Canadian Air Force felt that he was so useful to them that he should continue to serve there; and our Government yielded.

He returned, after he rendered that service. He served with great distinction, as I have said, in the Canadian Air Force. The only thing to disqualify him from receiving the ordinary GI benefits was that he had undertaken that voluntary service in the Canadian Air Force, rather than in the United States Air Force.

It is true that the disability from which he suffers is nonservice connected; and there is some argument on that basis. However, I felt we could well overlook that fact, because if he had been a regular GI of ours, he would have received the hospitalization benefits which are being requested, in view of the fact that he is paralyzed, an absolute cripple, and has no way of taking care of himself

So, despite the opposition and despite the views of some of the members of the subcommittee, some of whom felt we should not establish this precedent, it seemed to me only proper for our Government to recognize the outstanding service of this young man, inasmuch as there was no fault on his part or on the part of his family, and inasmuch as everything had been done to give him what he needed, and yet he lacked the kind of support he would have received if he had been a member of the United States forces.

So I felt that I must vote with the majority of the committee in favor of the action proposed by means of the bill

The PRESIDING OFFICER. The bill is open to amendment.

If there is no amendment to be proposed, the question is on the third reading of the bill.

The bill (H. R. 3350) was ordered to a third reading, read the third time, and passed.

DEPARTMENT OF DEFENSE APPROPRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment submitted by the Senator from Massachusetts [Mr. Kennedy] on behalf of himself and certain other Senators.

Mr. FERGUSON. Mr. President, yesterday we debated this amendment. I wish to comment further upon it now, so that all Senators will know what they are to vote on.

The amendment would change the whole military plan of our Chiefs of Staff and the plans of the Security Council and the President and the civilian authorities in the Defense Department. I have already explained what the amendment would do by way of making necessary the drafting of a large additional number of civilians.

Mr. President, reference has been made to the situation of 1 year ago. I realize the danger of giving an answer on the floor of the Senate, and later trying to explain it. I was asked a question about the conditions existing now and those existing a year ago. A few words of the answer I gave were read into the Record; but I tried to explain the answer, and I did explain it.

Again I wish to say that, so far as the Army was concerned, a year ago they requested and received—in the 1954 budget—sufficient funds to enable all 20 of the divisions we had to conduct actual war operations either in Korea or elsewhere for a period of 12 months. However, there was actual fighting during only one of those months. Nevertheless, the entire appropriation remained available to the Army.

So, Mr. President, it is obvious that we are not skimping our Army, for we did not rescind the remaining amount. On the contrary, we are carrying it over to next year, and it continues to be available to the Army. Therefore, no one should feel that any effort is being made to cripple the Army.

What we are trying to do, Mr. President, is to have a plan for the long pull. Instead of building an Army able only to repel an attack today, we are building one, as the President has said, if necessary, for 40 years, because he believes that is the length of time we may be facing communism.

Mr. President, that point is material in connection with this amendment. In short, instead of attempting to develop peaks, so to speak, and instead of attempting to build new camps in which to train the 35,000 men, our purpose is to have a plan under which other

countries will provide foot soldiers in addition to the ones we shall provide. Mr. KENNEDY. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I am glad to yield.
Mr. KENNEDY. Does not the Senator from Michigan believe that the events in Indochina—which have caused the Secretary of State to call for united action—and the possibility that, if certain conditions develop, united action may be forthcoming, change the need for plans on the basis of "the long haul" and the "40 years"?

Mr. FERGUSON. No; not at all. That is a part of our program.

Mr. KENNEDY. But it was not a part of this program when it was developed. Mr. FERGUSON. No; but then we

had a war in Korea.

Mr. KENNEDY. But the war in Korea was over then.

Mr. FERGUSON. No; not when we voted the appropriation, last year.

Mr. KENNEDY. But the war in Korea was over when this program was developed.

Mr. FERGUSON. Yes; it was ended when this program was prepared; that is true. But we made the appropriation, and it is still available.

In reference to Korea, let me say that the arguments being made in support of the amendment would indicate that Senators on the opposite side of the aisle are saying, today, "We are going to put foot soldiers into Korea, and we must keep these two divisions in active service, and send them there." Let me say that I know of no such program.

Furthermore, if our program is to go to war, 20 divisions will not be sufficient. If our program is to go to war, then the lid on the manpower supply will be off, and the sky will be the limit, insofar as divisions are concerned—if we are going into war.

So it cannot be said that this amendment is urged because we are going into war. On the contrary, the proponents of the amendment merely are trying to say to the President of the United States, "You simply must keep these two divisions under arms. You cannot allow these troops to return to private life." The proponents of the amendment would say to the President of the United States, "We demand that you increase the draft and bring into the service of the United States these 100,000 men." One hundred thousand will be necessary for the personnel, alone, of the two divisions, and the total additional requirement may run as high as 270,000. We are telling the President of the United States, "We are going to say how many men you are to draft next year. We want the draft increased, because we know of the danger."

It is true that the President has said—and he means it—that if this country is to go to war, Congress will be asked to declare war. So I say that we should vote against the pending amendment. We are going to be responsible for our judgment. Our judgment is based upon what the Joint Chiefs of Staff have said, what the Security Council has said, what the civilian authorities of the United States Department of Defense have said,

what the President of the United States has said, what the House of Representatives has said, and what the Senate Committee on Appropriations has said.

Mr. KENNEDY. Mr. President, I shall be very brief. I wish to read from an interview with Adm. Robert B. Carney, United States Chief of Naval Operations, and a member of the Joint Chiefs of Staff. The interview was published in the U. S. News & World Report for June 18, 1954:

Question. Are our commitments in the world much greater than at the time of the last war, Admiral Carney?

Answer. I should say we're deeply involved everywhere outside the Soviet orbit. Leadership has devolved upon us, and our inherent power, both economic and military, is bound to be the backbone of any coalition of governments that expresses its determination to hold its own against any Soviet encroachment. So, you can say that our commitment is around the world.

Question. Are our forces adequate to fulfill that commitment?

Answer. Not the forces that we're maintaining at present.

We have had General Ridgway's statement. This is Admiral Carney's statement, a most up-to-date statement, to the effect that our forces are not adequate to meet the commitments which we have accepted.

Mr. FERGUSON. Mr. President, will

the Senator yield?

Mr. KENNEDY. I yield.

Mr. FERGUSON. Admiral Carney was before the Appropriations Committee. He made a statement there, but he made no claim that the forces of the United States were not sufficient to meet the defense program outlined by the Joint Chiefs of Staff.

Mr. KENNEDY. I am quoting from the U. S. News & World Report, containing an interview with Admiral Carney. Admiral Carney has had the benefit of seeing the events of the past month, which all of us have had. That is the reason why, in response to the question, "Are our forces adequate to fulfill that commitment?" He says, "Not the forces that we're maintaining at present."

Mr. FERGUSON. What commitment?

Mr. KENNEDY. The question was:

Are our commitments in the world much
greater than at the time of the last war,
Admiral Carney?

Admiral Carney responded:

Answer. I should say we're deeply involved everywhere outside the Soviet orbit. Leadership has devolved upon us, and our inherent power, both economic and military, is bound to be the backbone of any coalition of governments that expresses its determination to hold its own against any Soviet encroachment. So, you can say that our commitment is around the world.

Question. Are our forces adequate to fulfill that commltment?

Answer. Not the forces that we're maintaining at present.

Question. In the event of any war, then, would we probably face initial setbacks, just as we did in World War II?

Answer. There is a far greater emphasis on need for forces in being today than there has been in the past. Not to recognize that would be hiding our heads in the sand. Because for the first time it's been borne home to us that our country itself, the vitals of

the country, is liable to attack. I don't think we'll be vouchsafed the time to mobilize in the sense that we have in the past.

Mr. FERGUSON. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

Mr. FERGUSON. We have an official record and a supplemental record. A portion of the testimony in this record was given since the interview to which reference has been made. The men whom Admiral Carney sent to the Appropriations Committee did not say one word to the effect of what the Senator is now quoting from a magazine article. Are we going to take statements from a magazine article, or are we going to take the official record of the Congress of the United States in the Appropriations Committees?

Mr. KENNEDY. Let us take the official record. I quote from page 55 of the House hearings, in the testimony of Secretary Stevens.

Mr. FERGUSON. Quote Admiral Carney. I am talking about Admiral Carney.

Mr. KENNEDY. Let me finish this quotation, and then let us see if the Senator thinks it is a good one. Secretary Stevens said:

It is true, as the general indicated, that the overall combat effectiveness of the Army by the end of 1955, even with gains we could make with improved weapons, will be somewhat less than it is today.

It seems to me that it the same statement, in different words, as was made by Admiral Carney.

Mr. FERGUSON. Secretary Stevens does not say that he needs more.

Mr. KENNEDY. He says that our strength would be less.

Mr. FERGUSON. But our strength overall would be greater, which is what the Department wants.

Mr. KENNEDY. Where does he say

Mr. FERGUSON. He does not say that. I am saying that.

Mr. KENNEDY. The last point I wish to make is that those of us on this side of the aisle who are attempting to change the figures are not, as the Senator from Michigan suggests, anxious to see the United States take on military commitments in Indochina. The possibility that such commitments might be undertaken has been suggested by those in the administration. Therefore, recognizing that this is true, that conversations are to take place with the Prime Minister in the next 2 weeks, and that we may be called upon to play our part in the southeast Asia defense pact, I believe that for the next fiscal year the United States should maintain its Armed Forces at not less than their present strength.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. KENNEDY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the amendment offered by the Senator from Massachusetts [Mr. Kennedy] for himself and other Senators,

Mr. KENNEDY. Mr. President, on that question I ask for the yeas and nays. The yeas and nays were ordered, and

the Chief Clerk called the roll.

Mr. KNOWLAND. I announce that the Senator from Arizona [Mr. Goldwater], the Senator from New Jersey [Mr. Hendrickson], the Senator from North Dakota [Mr. Langer], the Senator from Nevada[Mr. Malone], the Senator from Massachusetts [Mr. Saltonstall] are necessarily absent. The Senator from Utah [Mr. Watkins] is absent on official business.

If present and voting the Senator from Arizona [Mr. Goldwater] would vote "nay." On this vote the Senator from Utah [Mr. Watkins] is paired with the Senator from Tennessee [Mr. Kefauver]. If present and voting, the Senator from Utah [Mr. Watkins] would vote "nay," and the Senator from Tennessee [Mr. Kefauver] would vote "yea."

Mr. CLEMENTS. I announce that the Senator from Tennessee [Mr. Kefauver], who is absent on official business, is paired on this vote with the Senator from Utah [Mr. Watkins]. If present and voting, the Senator from Tennessee would vote "yea," and the Senator from Utah would vote "nay."

I announce further that if present and voting, the Senator from Oregon [Mr. Morsel, who is necessarily absent, would vote "yea."

The result was announced—yeas 38, nays 50, as follows:

YEAS-38

Anderson Hayden Mansfield Hennings Hill Burke Maybank McClellan Chavez Clements Humphrey Monroney Cooper Hunt Murray Douglas Eastland Jackson Neely Johnson, Tex. Pastore Johnston, S. C. Ervin Russell Frear Kennedy Smathers Fulbright Sparkman Stennis George Kilgore Gore Lehman Symington Green Magnuson

NAYS-50

Duff Aiken McCarthy Dworshak Millikln Barrett Beall Ellender Mundt Bennett Ferguson Payne Flanders Potter Purtell Bowring Bricker Gillette Hickenlooper Bridges Robertson Holland Schoeppel Bush Smith, Maine Smith, N. J. Butler, Md. Ives Jenner Butler, Nebr. Byrd Capehart Johnson, Colo. Knowland Upton Carlson Kuchel Welker Wiley Williams Case Lennon Cordon Long Martin Daniel Young McCarran Dirksen

NOT VOTING-8

Goldwater Langer Saltonstall Hendrickson Malone Watkins Kefauver Morse

So the amendment offered by Mr. Ken-NEDY on behalf of himself and other Senators was rejected.

Mr. FERGUSON. Mr. President, I move that the Senate reconsider the vote by which the Kennedy amendment was rejected.

Mr. KNOWLAND. Mr. President, I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from California [Mr. Knowland] to lay on the table the motion of the Senator from Michigan [Mr. Ferguson].

The motion to lay on the table was agreed to.

CENTENNIAL OF WATERTOWN, WIS.

Mr. WILEY. Mr. President, beginning next Saturday, June 26, the city of Watertown, Wis., will be blowing out 100 candles on its birthday cake.

It is most appropriate that the people of a community observe so memorable

an anniversary.

Pride in things past and pleasurable anticipation of things to come, pride in one's howetown and its achievements—are qualities which must never leave our American scene.

It is particularly appropriate that I refer to Watertown's centennial on this the 17th of June, because it was to this fine community that a great friend of freedom emigrated in the year 1856.

He was a German who wrote himself as large into American history as did almost any other American of foreign ancestry. He was a German who hated slavery and fought slavery.

And so on this June 17, 1954, a year from the day when the people of East Germany rose up with sticks and stones and bottles against slavery, against mighty Soviet tanks—the day when they ripped down the Red flag from the pinnacle gate of Berlin and replaced it with a German banner—it is most appropriate that I, as a Wisconsin Senator, invite the attention of my colleagues to Carl Schurz, of Liblar, Germany, and of Watertown, Wis. Carl Schurz, hero of the 1848 Revolution, friend of Lincoln, lawyer of Milwaukee, editor of St. Louis, major general of Union Armies, United States Senator from Missouri.

I send to the desk the text of a fine article on Watertown's centennial celebration, as carried in the Sunday, June

13 Milwaukee Journal.

I ask unanimous consent that the article be printed at this point in the body of the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WATERTOWN PREPARES TO KICK UP ITS HEELS— CENTENNIAL CELEBRATION WILL INCLUDE A 4-HOUR PARADE, DANCES, AND BIG PAGEANT

(By Richard S. Davis)

WATERTOWN, Wis.—Here is another sturdy Wisconsin town that has officially reached the age of 100 and is preparing to celebrate in a big way. Beginning June 25 and ending July 1, the staid city on the Rock River will be kicking up its heels in a fashion as spirited as dignity, building for a century, will permit.

Actually Watertown is 18 years older than a century. In 1836, a shrewd Yankee farmer named Timothy Johnson came along from Ohio to establish himself as the first settler. The spot soon became known as Johnson's Rapids, which in turn became Watertown as other venturesome folk from "down East" moved in.

FOUR-HOUR PARADE

The city, in a modest way, has already had a centennial observance—that, naturally,

came in 1936—but it was merely a whisper and a dab compared to what is coming up June 25. It is promised that forthcoming parades, pageantry, music, and dancing will set a new peak for civic highlinks for any of the lesser towns of the State.

Jack Conley, a professional organizer of such events, assured the awed reporter the other day that the parade of Sunday afternoon, June 27, would be a record breaker in every respect, a march requiring at least 4 hours to pass a given point and as colorful as ingenuity and loyalty can make it.

Every day of the celebration there will be conducted tours of historical points of interest, including the famed Octagon House, the site of America's first kindergarten, a cluster of old homes built nearly a century ago, old mills of the city, and other landmarks

NO LACK OF VOLUNTEERS

Apparently the people of Watertown are taking to the centennial like bees to begonias. The enthusiastic Conley told this visitor that he had never known such willingness to get in on the acts or to serve humbly in their staging. He said that 700 citizens would take part in the pageant June 26, 27, 29, and 30 and that the grand parade of June 27 would have 150 units. He added that union carpenters and electricians have contributed their work in setting up the 300-foot stage, the lumber for which also has been donated.

At the end of its first 100 years as a city, Watertown finds itself very comfortable, indeed. Its Main Street is not garishly neon or even impressively modern in aspect, but the business district has a look of solidity that testifies to long-continued prosperity. It is a sort of "German look," which means little flash but much substance. A few of the buildings are close to a century old. Several of the business houses, also, are in the hands of descendants of the merchants who began trade 100 or more years ago.

Like so many other Wisconsin towns, Watertown bears the German imprint more strongly than any other. Alert residents will tell you, however, that the city—its population is nearing 13,000—is becoming more and more a mixture of racial origins, as the result of expanding industry.

GERMANS IN TWO CLASSES

In point of fact, the settlement started out as decidedly Yankee in makeup. Venturesome people of Irish descent were the next to appear and they were followed, in the early 1850's by the great rush of Germans. The latter were of two classes, intellectuals and peasants, one type intensely interested in political matters, the other not at all.

The brilliant representative of the early Germans in the community is Carl Schurz, a revolutionary in his home country, a statesman and a scholar in his adopted land. He came to Watertown in 1856 and lived here only 2 years, but his mark on the community is indelible. So is his wife's, since it was she who founded America's first kindergarten on a site, in the heart of town, now marked by a stone tablet.

The Watertown of 1954 is stoutly conservative and Republican. The distinguished Schurz also was a Republican, but he was anything but conservative. He was a stanch supporter of Lincoln and fiery opponent of slavery.

THE GUATEMALAN THREAT

Mr. HICKENLOOPER. Mr. President, I had intended to make a formal statement on the tragic situation existing in Guatemala. Apparently, I shall have no opportunity to make the statement, because I must leave the city in about an

hour. I, therefore, ask unanimous consent that the remarks I had prepared to make be printed at this point in the RECORD as my statement.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

STATEMENT BY SENATOR HICKENLOOPER

THE GUATEMALAN THREAT

The American Republics Subcommittee of the Committee on Foreign Relations has been watching developments in Guatemala with growing alarm. Our subcommittee has met repeatedly with the Assistant Secretary of State for Latin American Affairs, Mr. Holland, in consultation concerning the events which culminated in the shipment of \$10 million of arms to Guatemala, and to discuss appropriate lines of action. I should like, at this time, to say a few words about the crisis which confronts the nations of this hemisphere—the gravest potential crisis to confront the American Republics in this century.

We have seen one of the principal governments of Central America growing more and more subservient to an alien despotism, as a result of infiltration and intervention by Communist agents, to a point where an arm of the international Communist conspiracy has established a beachhead in our very backward.

This is a menace both to our other southern neighbors and to ourselves. But the menace to them is by far the greater. Nicaragua and Honduras have already witnessed a beginning of what it can mean, in the activities of agents carrying out the purposes of the Kremlin. As might be expected, desperate efforts have been made to obscure the true nature of this threat. Guatemalan officials have charged that the real concern of the United States Government is not international communism, but the protection of American investments.

Our good friends in Latin America are not going to be misled and diverted by a flimsy, wornout charge that we are acting on behalf of a fruit company. The United States will protect the fair and just property and civil rights of our citizens abroad but this is not the main issue in the Guatemalan emergency. The property of American citizens has upon occasion been expropriated in other countries; but that fact did not generate any anxiety as to the security of the Western Hemisphere. In the Mexican agrarian expropriations, some 20 years ago, the properties involved were likewise valued at many millions of dollars. We did not then, nor do we now, consider such acts by a free, independent and sovereign government as constituting a casus belli. As Secretary Dulles said a few days ago, if the expropriation dispute with Guatemala were solved tomorrow, the dangers of Communist penetration here would be the same.

When we say "communism," the Guatemalans answer, "United Fruit Co." When will any Guatemalan Government official answer our charges on the real and only issue, which is international communism?

Moreover, the argument that this is purely a matter of foreign investments and economics hardly accords with the facts of inter-American economic relations. The American Republics, except for Guatemala, have been cooperating to solve their economic problems. We have mutually undertaken cooperative programs of technical assistance. Mutually profitable inter-American trade amounts to billions of dollars a year. We intend to take measures to increase this trade and the capital investments which underlie it. The Inter-American Economic Conference which meets in Rio this fall will be a step in this direction following up the groundwork laid at Caracas.

No; this is no mere squabble over compensation for expropriated properties. Guatemalan Government knows that as well we do. But it is a good propaganda theme to divert the minds of its neighbors from the most fearsome thing that has happened to them in this hemisphere within our memory.

This is one time, however, that the propaganda line won't work. The other American Republics can look at this picture just as realistically as we do. And they realize, as we must in this peril, that now is not the time to be gentle, to be sweetly understanding, to close one's eyes and to hope that the spots of this leopard are somehow different in America. It is time to be hard-headed and practical about the facts in Guatemala.

And just what are those facts? What do we and our sister Republics find when we examine this disturbing picture? We find a Guatemalan Government in which the key positions are occupied by Communists. find that leading Guatemalan Communists make periodic visits to Moscow for advice and training on policy. The former head of the Communist Party, Jose Manuel Fortuny, who resigned only a few days ago, and the labor boss of Guatemala, Victor Manuel Gutierrez, both visited Moscow recently. Not long ago the junior Senator from Florida noted on this floor that five members of the Guatemalan Communist politburo had received indoctrination and instruction in Moscow in the past 2 years.

What else do we find? We find that the party line laid down by Moscow is religiously followed by officials of the party and of the government in Guatemala, and that drastic measures are resorted to in the Soviet image to suppress dissent and eliminate opposition. We find that even the language attacking the United States resemble that pouring out of Moscow. We find that individual liberties are forcibly suppressed. Why was this necessary, unless the regime feared the consequences of a popular uprising against cruelty

and tyranny? Other suspicious indications can be detected. The Guatemalans, like the Soviets, have organized centers of Communist agitation in Mexico and other Latin American countries, under the name of the "Friends of Guatemala." A close liaison has been established between the Communist press in the United States and the Communist press in Guatemala. The Daily Worker has consistently taken the international Communist party line in rationalizing events in Guatemala. This excuse for a newspaper was the only periodical in the United States that tried to justify the surreptitious shipment of arms from an area under the control of the Soviet

Such is the familiar pattern of international Communist party activity everywhere in the world. It was the pattern that preceded the rape of Czechoslovakia, and it is the pattern for the leaders of this conspiracy elsewhere. In grim truth, the peoples of Latin America have reason to be alarmed; for it constitutes a major threat to their existence as free nations in this century.

If this threat is not met by them and by ourselves, here and now, boldly, resolutely, we may all awake one fine morning to find still another of our family has been taken over by agents of the Kremlin, then another, until it is too late to fight, too late to preserve their freedom and their sovereign independence, with all hope of restoring it gone. Nobody dares to minimize a cancer because it is small.

The immediate cause for our alarm is the arms shipment I have mentioned earlier. This shipment, the one straw too many, crowns the damning indictment: \$10 million worth of arms dispatched in a mysterious, devious, and fraudulent manner from Sovietcontrolled Stettin to Puerto Barrios.

these arms, which came from behind the Iron Curtain, were intended for a legitimate use, in a legitimate manner, and on a legitimate scale, why was it necessary for the Guatemalan Government to conceal and disguise the fact of its purchase? the shipper falsify the manifests? Why were clearances fraudulently obtained? the vessel's route changed three times before it finally berthed at Puerto Barrios? Why was the ship's destination a secret when it left Communist Poland?

From start to finish, the entire transaction belies an honest and innocent acquisition of arms for a proper purpose.

The United States has never disputed the right of any nation in this hemisphere to purchase arms for its legitimate needs, for the understandable requirements of selfdefense. But this is not such a purchase. This is a shipment of tremendous magnitude for a country the size of Guatemala. It upsets the entire political balance in Central America. The shipment is valued at onesixth the total annual budget of that nation. Now, when such a shipment occurs during a period of troubles with its two small neighbors; when the evidence shows that an outbreak of violent labor difficulties was provoked by Guatemalan agents in one of them; when the quantity of arms is such as to arouse fears in the hearts of those neigh-bors—then, Mr. President, it is no longer a question of a legitimate purchaset for the reasonable needs of defense. Something else is in the wind. And it becomes a matter of the gravest concern just why those arms were purchased.

Countries behind the Iron Curtain tightly controlled by Moscow have never been particularly eager to furnish arms to independent, freedom-loving governments. will happily sell such arms to regimes created in their own image, which respond to the central will of Moscow. Why? because it serves the Kremlin's design of global conquest.

Viewed in this light, the circumestances attending the shipment make more sense. It then becomes clearer why the whole affair was fraudulent in inception, deceptive in execution, and beyond the legitimate needs of Guatemala.

Since the arms shipment the Guatemalan Government has offered to conclude a non-aggression pact with Honduras. Even this transparent, empty gesture recalls the words and deeds of the Kremlin. It will be remembered that the U.S. S. R. generously concluded similar nonaggression pacts with Latvia, Lithuania, and Estonia—before they were absorbed into its hungry digestive tract. The very fact that the Guatemalan Government could make such a proposal to other members of the Inter-American system is enough to occasion alarm and suspicion as to its motives.

Nor is it a mere coincidence that this shipment of arms occurred during the Geneva Conference, during the high point of the struggle in Indochina. It is too typically a part of the Soviet technique to divert attention away from graver problems of the moment.

We would not be honest with ourselves if we did not admit frankly that what has been happening in Guatemala directly af-fects the security of the United States. But it also vitally affects the safety and the independence of every other people in this hemisphere, including the people of Guatemala itself. They have had their constitutional guaranties suspended in the name of preservation of orderly government. Homes are being violated and searched without warrant. Fathers and sons who have dared openly to oppose communism are simply disappearing. Some have been found dead or mutilated. Why is the Arbenz govern-ment doing these things? Because they serve as an excuse for the measures of violence and coercion necessary for a typical Communist take-over. The Guatemalan people cherish freedom as we do; they yearn for liberty as do we. Perhaps the means resorted to by their Government explain another possible purpose—one just as illegitimate-of the arms shipment from Stettin. Perhaps these arms are necessary to crush the free spirit of the Guatemalan people; to deprive them of their precious liberties. and of their right to a government of popular will.

This, too, is a standard tactic of the international Communist conspiracy. We can be assured that no such shipment of arms would ever come from a Soviet country to assist an oppressed people to throw off the yoke of a Communist regime.

But whether this menace be viewed as directed against Guatemala's neighbors, or as assisting a tyrannical Communist minority to maintain itself against the will of the people, it all adds up to the same thing: a foreign system—the Soviet colonial system-is seeking to establish its complete control over one of the nations of the Western Hemisphere. This we cannot and will not tolerate. To permit it would violate a principle sacred to our Government for 130 years. And it is just too close to home.

If we wait for the commission of an external, open act of aggression, before we take measures to save ourselves, we may wait a long, long time. One thing we surely must have learned since 1946 is that the Kremlin and its agents abroad always operate so as to create the illusion of a spontaneous movement from within, to which they appear as blandly disinterested spectators. Then, all of a sudden, Soviet-manufactured equip-ment appears at the critical moment to strike the decisive military blows. But be-fore that happens, agents of the Soviet conspiracy will have infiltrated like maggots into key positions. They will control the press, the police, the labor parties. And they will control the weapons needed to maintain this control. This is what has been happening in Guatemala.

The American Republics have developed cooperative means to deal with threats to their security. We have acted collectively before, during the terrible years of the Nazi aggression, and after. The same procedures of collective action are appropriate for this modern style of indirect aggression by international communism. These principles have been accepted by the American Republics in the inter-American treaty of reciprocal assistance signed at Rio de Janeiro in 1947. They have become the heart of our hemispheric system of solidarity and selfprotection. And they furnish a beacon to guide us in dealing with the threat we now

Article 6 of that treaty provides:
"If the * * * sovereignty or political independence of any American state should be affected by an aggression which is not an armed attack, or * * * by any other fact or situation that might endanger the peace of America, the organ of consultation shall meet immediately in order to agree on the measures * * * which should be taken for the common defense and for the maintenance of the peace and security of the con-tinent."

Here is the clearest kind of a mandate for positive action by the American Republics to meet the latest Soviet effort to divide and destroy the free world. Can there be any doubt whatsoever that what has been taking place in Guatemala is precisely such a "fact or situation that might endanger the peace of America"?

At the Caracas Conference of American states last March, 17 of the American Re-publics voted in favor of a resolution declaring:

"That the domination or control of the political institutions of any American state by the international Communist movement. extending to this hemisphere the political system of an extracontinental power, would

constitute a threat to the sovereignty and political independence of the American states, endangering the peace of America, and would call for a meeting of consultation to consider the adoption of appropriate action in accordance with existing treaties."

This resolution squarely confirms the applicability of the Rio treaty to the Guate-malan situation. It is significant to remember that only Guatemala voted against this resolution. It is perhaps more significant that 6 years earlier, at the Bogota Conference, Guatemala had voted in favor of an anti-Communist resolution. That was before the present Communist-controlled regime came to power. At Caracas, the Gua-temalans renounced their adherence to the previous resolution.

Is there any question but that the Soviet penetration into a Central American Republic threatens the structure of our inter-American defenses? Must the shadow lengthen over more of our neighbors and our own borders before we take action? What are we supposed to do, wait until only extreme measures will suffice to liberate the Guatemalan people, a people we cherish and esteem, from the tyranny of a foreign dictator? Or are we not in duty bound to all our sister Republics and to ourselves to take immediate action, to prevent this hemisphere from being divided and swallowed?

Today we stand at a point of vital decision affecting our destiny in the Americas. We either make a stand here and now or we may suddenly find that we have a new Korea right in our backyard. Let's face it. International communism has established a beachhead in Central America. The threat is real, grave, and immediate. The time to call a halt is now, not tomorrow or the day after tomorrow, but now. It is time for the American Republics to say firmly, in their collective voice, what President Monroe said 130 years ago: "The Americas are not open to domination by any international con-spiracy, no matter how it is disguised."

Appropriate steps must be taken to remove this threat. Any measures which the American Republics collectively decide to apply in defense of their security should be vigorously prosecuted. If economic sanctions are regarded as necessary to block future ship-ments of illegitimate arms cargoes from reaching their destination, they should be applied; and at the first sign of any hostile action against its neighbors, whether from without or by indirection, the United States must not waver. We must act with our friends to the south, positively and fast.

We are confident that our sister Republics will recognize the danger that confronts us We sincerely trust that, in our exchange of views with the other governments, it will be possible to agree upon a joint decision to take such measures as may be regarded as essential to preserve the security, the peace, the independence, and the freedom of the Western Hemisphere.

PROPOSED REVOCATION OF THE APPOINTMENT OF THE CHAIRMAN OF THE GOVERNMENT OPERA-TIONS COMMITTEE

Mr. LEHMAN. Mr. President, I send to the desk and ask to have lie on the table as a privileged resolution a proposal for the revocation of the appointment of the junior Senator from Wisconsin [Mr. McCarthy] as chairman of the Government Operations Committee.

Mr. KNOWLAND. Mr. President, will the Senator from New York yield?

Mr. LEHMAN. I yield.

Mr. KNOWLAND. I did not understand the Senator's request.

Mr. LEHMAN. I said that I send to the desk and ask that there lie on the table as a privileged resolution a proposal for the revocation of the appointment of the junior Senator from Wisconsin [Mr. McCarthy] as chairman of the Government Operations Committee.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. KNOWLAND. In order that the resolution may lie on the table, does it not require unanimous consent at this

The PRESIDING OFFICER. It requires unanimous consent.

Mr. KNOWLAND. Mr. President, I object.

Mr. LEHMAN. Mr. President, may I ask the Chair whether the resolution which I have submitted, which, of course, has not yet been read but which I have described in general terms, is not a privileged resolution, since it refers and applies to the organization of the Senate, which I believe constitutes it a privileged resolution?

Mr. JOHNSON of Texas. Mr. Presi-

dent, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JOHNSON of Texas. Mr. President, has the Chair ruled on the specific parliamentary inquiry made by the majority leader, namely, that if the resolution is submitted and unanimous consent is not given, it is referred to a committee? May we have a ruling on that?

The PRESIDING OFFICER. It is true that if a resolution is submitted in the morning hour it would be referred to a committee, under the rules. Unanimous consent must be obtained for its submission out of order.

Mr. JOHNSON of Texas. Mr. President, I think the Senator from California would not object to the submission of the resolution. I understood the Senator was objecting to its lying on the table.

Mr. KNOWLAND. My objection was to the resolution lying on the table.

The PRESIDING OFFICER. Is there objection to the submission of the resolution at this time? The Chair hears none, and the resolution will be received and be stated.

The legislative clerk read the resolution (S. Res. 262) as follows:

Whereas Senator Joseph McCarthy is chairman of the Government Operations Committee by virtue of appointment by the Senate, voted on January 13, 1953, in accordance with rule 24 of the Standing Rules of the Senate; and

Whereas Senator McCarthy is chairman of a subcommittee of the Government Operations Committee, the so-called Permanent Investigating Subcommittee, by virtue of appointment by himself as chairman of the parent committee; and

Whereas Senator McCarthy has abused the authority delegated to him as chairman of said committee and subcommittee by intervening unjustifiably in the conduct of the administrative affairs of the executive branch of Government, including the Department of State, the Foreign Operations Administration, the United States Information Agency, and the Department of the Army, and thus has dangerously and harm-

fully impaired and violated the principle of separation of legislative and executive func-tions and powers of the Government em-bodied in and provided in articles I and II of the Constitution; and

Whereas Senator McCarthy has abused the authority delegated to him as chairman of said committee and subcommittee by presuming to arrogate to himself and to committee and subcommittee law-enforce-ment functions and powers, which functions and powers are beyond the scope of the lawful authority and jurisdiction vested in the United States Senate, and in said committee and subcommittee, and thus further impairing and violating the principle of the separation of the legislative and executive functions and powers of Government; and

Whereas Senator McCarthy has abused the authority delegated to him as chairman of said committee and subcommittee by presuming to arrogate to himself and to said committee and subcommittee judicial functions and powers, which functions and powers are beyond his lawful authority as chairman of said committee and subcommittee, and are inconsistent with and repugnant to the exclusive lawmaking functions and powers vested in the Congress, the Senate, and committees of the Senate; and

Whereas Senator McCarthy has abused the authority delegated to him as committee chairman by publicly inviting and soliciting wholesale violation of laws enacted by Congress, including the Espionage Act, and the violation of an Executive order forbidding the disclosure of classified security information, and by promising his protection for the violation thereof; and

Whereas Senator McCarthy has abused the authority delegated to him as chairman of said committee and subcommittee by seeking to intimidate and harass officials of the United States Government, including honored soldiers in the United States Army; and

Whereas Senator McCarthy has abused the authority delegated to him as chairman of said committee and subcommittee by seeking to intimidate and coerce the press and thus indirectly to accomplish what is directly forbidden under the provisions of the first amendment to the Constitution of the United States: and

Whereas Senator McCarthy has abused the authority delegated to him as chairman of. said committee and subcommittee by persistently and repeatedly violating the civil liberties, privileges, rights and immunities of United States citizens guaranteed under the Bill of Rights of the Constitution of the United States, especially those set forth in the 1st, 4th, 5th, and 6th amendments; and

Whereas Senator McCarthy has abused the authority delegated to him as chairman of said committee by presuming, in his conduct of said subcommittee, to usurp for himself all the powers delegated to said subcommittee by the parent committee, and to the committee, by the Senate; and

Whereas Senator McCarthy has by these and other violations, arrogations, and transgressions grossly abused the authority delegated to him as chairman of the Government Operations Committee and of a subcommittee thereof, inspired and created public disrespect for the lawmaking authority, created public confusion in all branches of Government, and impaired the high standing and prestige of the Senate of the United States: Therefore be it

Resolved, That the Senate, under its plenary powers over its committees and subcommittees, hereby revokes the appointment of Senator McCarthy as chairman of the Government Operations Committee, and as chairman of the so-called Permanent Investigating Subcommittee and of all other subcommittees to which he may have heretofore designated himself as chairman, and declares vacant the position of chairman of said committee and of said subcommittees, pending

the appointment by the Senate of a new chairman of said committee in the manner prescribed by rule 24 of the Standing Rules of the Senate.

The VICE PRESIDENT. Does the Senator from New York desire to make a statement?

Mr. LEHMAN. Mr. President, I am offering the resolution—

Mr. KNOWLAND. Mr. President, will the Senator from New York yield for a parliamentary inquiry?

Mr. LEHMAN. I yield.

Mr. KNOWLAND. Mr. President, a parliamentary inquiry.

The VICE PRESIDENT. The Senator will state it.

Mr. KNOWLAND. The resolution having been submitted, is it now to be referred to the appropriate committee?

The VICE PRESIDENT. The resolution will be referred to the appropriate committee, unless some other disposition of the resolution is made at this time.

Mr. LEHMAN. Mr. President, I believe that since the resolution refers to the organization of the Senate, it is a privileged matter, which may lie on the table until it is called up by the mover of the resolution.

The VICE PRESIDENT. Does the Senator from New York ask for a ruling on the question?

Mr. LEHMAN. I should be glad to have a ruling.

The VICE PRESIDENT. The Chair is ready to rule. The Senator from New York is correct. A resolution of this type is a privileged matter. However, to have the resolution lie on the table requires unanimous consent. Does the Senator from New York desire to ask unanimous consent that the resolution may lie on the table?

Mr. LEHMAN. While I do not agree with the ruling of the distinguished Vice President, I, of course, accept it and will follow his suggestion. I ask unanimous consent that the resolution may lie on the table.

Mr. KNOWLAND. I object.

The VICE PRESIDENT. Objection is heard. The resolution will be referred to the appropriate committee.

Mr. LEHMAN. I am submitting the resolution, Mr. President, for the consideration and decision of the Senate, because I believe that it is the concern of the Senate as a whole, and of each Member of the Senate, to preserve the prestige of the Senate, and the legislative nature of the Senate, against such abuses and attacks as have resulted from the activities of the junior Senator from Wisconsin [Mr. McCarthy] in his capacity as chairman of the Government Operations Committee, and of the so-called Permanent Investigating Subcommittee.

I do not base my resolution on any single act or any single set of acts by the junior Senator from Wisconsin, but on the whole range of harmful activities, practices, means, methods, assumptions, usurpations, violations, and abuses indulged in by him as chairman of the Government Operations Committee and of the so-called Permanent Investigating Subcommittee.

There is a regrettable but understandable tendency to focus attention on the

single acts of Senator McCarthy and on narrow questions of fact, difficult to establish beyond a reasonable doubt, and related to narrow questions and issues which are not really central to the overriding effect which Senator McCarthy's activities have had on the prestige of the Congress and on the fundamental institutions of law and Government which characterize our country.

There is no reasonable doubt, certainly none in my mind, and I believe none in the minds of millions of our citizens, concerning the detrimental effects which Senator McCarthy's overall activities have had on our country.

It is on the basis of these effects and these activities that I make my proposal to withdraw the appointment given him by the Senate—the position of special trust and authority—as chairman of the Committee on Government Operations.

Under the terms of the Standing Rules of the Senate, and of rule 24 in particular, Senator McCarthy's appointment as chairman of the Government Operations Committee is a matter for determination by the whole Senate.

Rule 24 prescribes a procedure for formal voting on the appointment of a committee chairman. I propose that this procedure be invoked to revoke that appointment and to declare the chairmanship of the Government Operations Committee vacant, to be filled in the manner fully prescribed by the rules of the Senate.

My resolution also provides that the revocation of his appointment as chairman of the parent committee will carry with it the revocation of his appointment, by himself, as chairman of the so-called Permanent Investigating Subcommittee and of any other subcommittees to which he may have, in the past, appointed himself.

Mr. President, I am, of course, aware that some aspects of Senator McCarthy's activities have been under the scrutiny of a more or less special subcommittee of the Government Operations Committee—itself a kind of anomaly. That subcommittee, I know, will soon make a report.

I wish no confusion between whatever this investigating committee will report and recommend and my proposal. There is no contradiction or conflict, so far as I am concerned. Nor am I seeking to anticipate, in any way, what the special investigating subcommittee may recommend.

I am not basing my resolution on what might be the findings from the current inquiry. I am passing no judgment on the various contrary and contradictory assertions made in that inquiry, nor on the issues and charges before that subcommittee.

Those are, in my mind, narrow issues, although unquestionably important. But there are many vital issues—broad, pervasive, and all-important—which have not been touched in this inquiry at all.

It is on the basis of these broader issues, far overreaching the questions on which the evidence has been gathered by the Mundt subcommittee, that I have based my resolution.

At an appropriate time, I expect to move to take up my resolution which is self-explanatory and self-declaratory. I shall be prepared, at that time, to cite the facts, all the facts, upon which my observations, as contained in the resolution, are based. But, in my judgment, Mr. President, the facts speak for themselves. They are, for the most part, matters of common knowledge.

The resolution (S. Res. 262), submitted by Mr. Lehman, was referred to the Committee on Rules and Administration.

DEPARTMENT OF DEFENSE APPRO-PRIATIONS, 1955

The Senate resumed the consideration of the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Mr. FERGUSON. Mr. President, I send an amendment to the desk and ask to have it read.

The PRESIDING OFFICER (Mr. Beall in the chair). The Clerk will state the amendment proposed by the Senator from Michigan [Mr. Ferguson].

The CHIEF CLERK. It is proposed, on page 53, after line 2, to insert the following new section:

SEC. 738. During the fiscal year 1955, appropriations of the Department of Defense shall be available for reimbursement to the Post Office Department for payment of costs of commercial air transportation of military mail between the United States and foreign countries.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan.

Mr. FERGUSON. Mr. President, the amendment does not propose to authorize any money for new appropriations, but authorizes the use of money to assure that the mail of our Armed Forces will be transported by air, as has been the practice in the past. The amendment is offered in order to permit the delivery of mail to servicemen overseas.

During the consideration of the appropriation bill for the Post Office Department, it was stated that no money had been included in the post office appropriations for costs of transportation by commercial air transport for military mail between the United States and foreign countries.

Since the basic laws renders the Post Office Department appropriations exclusively available for this purpose, there is no legal authority in the Department of Defense to provide funds for payment for airmail transportation overseas. The statute in question is title 39, section 654 (c) of the United States Code, which provides as follows:

In the case of mails transported between the United States or its Territories or possession and any foreign country and in the case of mails transported between the United States and its possessions or its naval or military forces abroad, or between any such possession or naval or military forces and any other such possession or naval or military forces payment for such transportation shall be made out of the appropriation for the transportation of foreign mails.

In order to provide legal authority and to insure the delivery of air mail to servicemen abroad, this amendment is ab-

solutely necessary.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan [Mr. Ferguson] on page 53, after line 2.

The amendment was agreed to.

Mr. FERGUSON. Mr. President, I ask unanimous consent to have printed in the body of the RECORD at this point a letter to Mr. Wilson from Mr. Summerfield, and one from Mr. Garlock to

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

ASSISTANT SECRETARY OF DEFENSE, Washington, D. C., June 16, 1954. Hon. HOMER FERGUSON.

Chairman, Subcommittee on Armed Services.

Senate Appropriations Committee. DEAR MR. CHAIRMAN: The Secretary of Defense has directed me to advise you that the Department of Defense has just been informed by the Postmaster General that commencing July 1, 1954, the Post Office Department will be unable to continue the practice of transporting military mail via commercial air carriers to and from military points in foreign countries. The term "military mail" refers primarily to the personal letters being sent to and from military personnel located in overseas areas which comprise approximately 90 percent of military mail handled through military post offices, and not the official mail of the Department of Defense. I am sure that you will agree with us as to the importance of continuing the expeditious handling of this personal mail between our men who are overseas and their families.

Because the Post Office Department advises us that they cannot continue to provide this service to men of the armed services and their families, the Department of Defense wishes to be able to make such arrangements as are necessary to continue this service. As in the past, we would continue to handle at least a part of such mail by Military Air Transport Service, particularly to areas which are not readily served by commercial lines, but other high priority cargo would appear to preclude MATS from handling all of the personal mail originating in the United States between military personnel and their families by this means. A quick review of the authority to reimburse the Post Office Department or to hire commercial carriers for this purpose indi-cates that the Department of Defense does not have authority to make such payments for the transportation of this personal mail. In order to provide this authority and to insure the continued prompt handling of personal mail between military personnel located overseas and their families, it is requested that the attached general provision be proposed on the floor of the Senate as an amendment to the fiscal year 1955 Appropriation Bill for the Department of Defense now pending before the Senate.

Your cooperation in this matter will be greatly appreciated by the Department of Defense.

Sincerely yours,

LYLE S. GARLOCK. Deputy Comptroller.

OFFICE OF THE POSTMASTER GENERAL, Washington, D. C., June 11, 1954. The Honorable Charles E. Wilson,

Secretary of Defense.

DEAR MR. SECRETARY: Up to the present time, as you know, we have been assisting

your Department by transporting some military mail via commercial air mail carriers to and from military points in foreign countries. Commencing July 1, 1954, however, we will be unable to continue this practice because we will have no appopriations for this purpose, Congress having recently declared that no money is being appropriated to us for the fiscal year 1955 for payments of such commercial air transportation of military mail. Please see the Congressional RECORD, May 13, 1954, page 6182 and May 19. 1954, page 6473, on H. R. 7893, our appropriation bill for 1955 which has now been approved by the President on May 28, 1954, as Public Law 374.

I am certain that you will understand this predicament and that your Department will make other arrangements accordingly.

Sincerely yours,

ARTHUR E. SUMMERFIELD, Postmaster General.

Mr. FERGUSON. Mr. President, I call up my amendment designated "6-16-54-A," to come in on page 50, after line 2.

The PRESIDING OFFICER. The clerk will state the amendment offered by the Senator from Michigan.

The LEGISLATIVE CLERK. On page 50, after line 2, it is proposed to insert the following:

SEC. 731. Those appropriations or funds available to the Department of Defense or any agency thereof which would otherwise lapse for expenditure purposes on June 30, 1954, and designated by the Secretary of Defense not later than July 31, 1954, shall remain available until June 30, 1955, to such department or agency solely for expenditure for the liquidation of obligations legally incurred against such appropriation during the period for which such appropriation was legally available for obligation: Provided, That nothing in this section shall be construed to change the authority of the Department of Defense, or any agency thereof, and of disbursing officers and authorized certifying officers to apply for a decision in advance of payment and the duty of the Comptroller General to render such decision, or the authority of the General Accounting Office to settle and adjust proposed payments involving doubtful questions of law or fact.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Michigan.

Mr. FERGUSON. Mr. President, in the way of an explanation of the amendment, I may say that in the course of the hearings before this committee the Department of Defense asked for language which would permit it to make payment to contractors under contracts executed with funds appropriated for fiscal years 1951 and 1952 without submission to the GAO for settlement as claims against the United States, as required under the Surplus Funds Certified Claims Act of 1949. The Defense Department justified this request by pointing out that substantial amounts were appropriated late in the year for the Korean operation, and this fact, coupled with production difficulties, resulted in nondelivery of large amounts of the material ordered within the 2-year period. thereby making it impossible to make the expenditures within the 2-year time limitation.

Without the amendment I now propose, the GAO would have to process an abnormal amount of claims through the certified claims procedure. There is about \$2 billion in contracts involved.

The Appropriations Committee originally denied the request of the Department of Defense, since there was no evidence that the GAO favored the pro-

I have now received a communication from the GAO requesting that the amendment be adopted, but with a language change which I have incorporated in the proposed amendment, limiting the payments to those contracts which would go to the GAO for settlement only for the reason that the appropriation involved had lapsed; but safeguarding the GAO prerogatives where doubtful questions of law or fact are involved. The ranking minority committee member has no objection.

I urge that the amendment be adopted. I have now received from the General Accounting Office a communication requesting that the amendment be adopted, but with a change that I have incorporated in the language, so as to limit the payments to contracts which would go to the General Accounting Office for settlement only for the reason that the appropriations involved had lapsed, but safeguarding the prerogatives of the General Accounting Office where doubtful questions of fact or law are involved.

I understand that the ranking minority member of the committee has no objection to the amendment. Therefore, I urge that the amendment be agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Michigan.

Mr. KILGORE. Mr. President, will the Senator from Michigan yield for a auestion?

Mr. FERGUSON. I am glad to yield. Mr. KILGORE. Under its wording. would the amendment be limited to obligations previously incurred?

Mr. FERGUSON. It would. Mr. KILGORE. The amendment would not apply to future obligations?

Mr. FERGUSON. No; the amendment has nothing to do with future obligations.

Mr. KILGORE. In other words, the purpose of the amendment is to pay off contractual obligations previously entered into; is that correct?

Mr. FERGUSON. That is correct.

Mr. President, I call for a vote on the amendment.

The PRESIDING OFFICER. question is on agreeing to the amendment of the Senator from Michigan [Mr. FERGUSON].

The amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. FERGUSON. Mr. President, I believe there are no further amendments to be proposed.

The PRESIDING OFFICER. If there be no further amendment to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill was read the third time.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? [Putting the question.]

The bill (H. R. 8873) was passed.

Mr. FERGUSON. Mr. President, move that the Senate insist upon itsamendments, request a conference thereon with the House of Representatives, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the Presiding Officer appointed Mr. FERGU-SON, Mr. BRIDGES, Mr. SALTONSTALL, Mr. KNOWLAND, Mr. FLANDERS, Mr. HAYDEN, Mr. Russell, and Mr. Chavez conferees

on the part of the Senate.

PROVISION FOR WHITE HOUSE CONFERENCE ON EDUCATION

Mr. KNOWLAND. Mr. President, I move that the Senate proceed to the consideration of House bill 7601, Calendar No. 1607, to provide for a White House conference on education.

The motion was agreed to; and the Senate proceeded to consider the bill (H. R. 7601) to provide for a White House Conference on Education, which had been reported from the Committee on Labor and Public Welfare with amendments.

LEGISLATIVE PROGRAM

Mr. KNOWLAND. Mr. President, I desire to announce to the Senate that when we have completed action on House bill 7601, providing for a White House Conference on Education, and depending on how long our action on that bill takes, and also depending on what extraneous business may come before the Senate, it is then intended to proceedas I have previously announced—to the consideration of Calendar No. 1608, House bill 7434, to establish a National Advisory Committee on Education; and Calendar No. 1609, House bill 9040, to authorize cooperative research in education. If, this afternoon, we complete action on those three bills, I propose to have made the pending business, for consideration tomorrow, Calendar No. 1510, House bill 6435, to amend the Commodity Exchange Act; and to have it followed by Calendar No. 1514, Senate bill 3487, to authorize the Central Bank for Cooperatives and the regional banks for cooperatives to issue consolidated debentures, and for other purposes. Of course, I am not certain how long a time will be required tomorrow to act on those bills. Some of the bills regarding which announcement has previously been made to the Senate may also be called up; but, under the circumstances, I expect the session tomorrow will be relatively short. and then that the Senate will take a recess until Monday, next.

On Monday, I expect to call up Calendar No. 1613, House bill 9474, to extend the authority of the President to enter into trade agreements under section 350 of the Tariff Act of 1930, as amended. By tomorrow, I hope to be able to advise the Senate of the other bills which we hope to have the Senate consider next week, prior to the time when the Senate takes up the tax bill.

Mr. MANSFIELD. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield. Mr. MANSFIELD. Can the distinguished majority leader tell us when he intends to have the calendar called

Mr. KNOWLAND. Announcement as to that will be made tomorrow, although I should like both the calendar committees to be advised that we may have a calendar call on Monday, preceding the taking up of Calendar No. 1613, House bill 9474, the so-called reciprocaltrade-agreements bill. 2 However, first I should like to consult with both calendar committees; but I hope they will keep themselves in readiness and preparation for a possible call of the calendar on Monday.

Mr. JOHNSON of Texas. Mr. President, will the Senator from California yield to me?

Mr. KNOWLAND. I yield. Mr. JOHNSON of Texas. I should like to invite the attention of the distinguished majority leader to Calendar No. 1623, House bill 7709, to continue until the close of June 30, 1956, the suspension of certain import duties on copper. That bill was reported on June 16 from the Finance Committee. I should like to ask the majority leader whether he will explore the possibility of bringing that bill before the Senate at as early a date as is possible and as is agreeable to his policy committee.

Mr. KNOWLAND. A whole series of bills has been reported from the Finance Committee. I shall consult, overnight, with the distinguished chairman of that committee, in order to ascertain his desire about the order of considering them. Then I shall take them up with the policy committee, so that we can arrive at a decision—I hope by tomorrow afternoon.

Mr. JOHNSON of Texas. I thank the Senator from California.

FIRST ANNIVERSARY OF THE RE-VOLT OF THE PEOPLE OF CZECH-OSLOVAKIA, EAST GERMANY, AND POLAND AGAINST THE COMMU-NISTS

Mr. HUMPHREY. Mr. President, I wish to say a few words at this time in commemoration of the first anniversary of the very heroic and brave resistance to communism on the part of the peoples of Czechoslovakia, East Germany, and Poland.

In these days, when so much is said about the fight against communism, it is appropriate for us to pause to commemorate the bravery and the heroism of those who have fought communism by deed, rather than by word. One year ago-on June 17, 1953, the revolt of the victims of Communist imperialism reached its fever pitch. One year ago the people of Czechoslovakia, East Germany, and Poland demonstrated to the world that the will to live as freemen was still alive in them-that they were prepared to throw off their shackles, and that they were prepared to sacrifice their lives to achieve that goal. With their bare fists they challenged the guns and tanks of their oppressors.

What happened on June 17, 1953. opened the eyes of many of those who, until then, had been blind to the realities of the Soviet system. It revealed as a mockery and a fraud the alleged idealism of communism.

The revolts of June 1953 were not the revolts of so-called capitalists. They were the revolts of industrial workers in whose interest the men in the Kremlin claimed to govern, for whose happiness they claimed to have established the

'worker's paradise." The outbreaks of last year were not organized. They were the spontaneous expression of thousands of people of their hatred of communism. The workers of the Skoda factory, at Pilsen, stormed the city hall, tore down the Red flag and pictures of Stalin, and raised the American flag. The workers of Czechoslovakia were on strike. They were followed by the people of East Germany, who had the courage to defy Soviet troops, to demonstrate in front of Red army tanks and submachine guns. Their heroic acts were a signal for workers throughout East Germany and also Poland to demonstrate their opposition to communism.

The revolts of last year were put down in the typically brutal Communist manner. Dozens of people were killed in the streets. Many men were executed, hundreds were arrested. The revolts had failed temporarily, but the world had seen the love of liberty was not dead behind the Iron Curtain.

I think it will be recalled that at the time of this very historic incident of the revolt of free people against Communist tyranny our Government extended the helping hand of American friendship and understanding, through the delivery of food packages to the people of West Berlin, and making such food packages available to the people of East Germany.

As I pay tribute to the heroism and courage of those who resisted Communist tyranny, let me say that this delivery of food on the part of our Government was one of the most important acts of diplomacy and statecraft in all the postwar years. It is significant to note that literally hundreds of thousands of people from behind the Iron Curtain came over to the food depots on the free side, in West Berlin, and picked up their food packages, giving thanks to the American people. By making available this food and by extending the hand of fellowship and support, we struck a mighty blow for freedom and definitely weakened the grip of communism upon those great people.

It is appropriate that we in the Senate pause on this June 17 to pay our tribute to the free spirits that still exist behind the Iron Curtain, keeping alive hope for the day when millions may again live

openly as freemen.

I rise today to pay my tribute to those brave people and the Government of West Germany, as well as to the patriots of freedom in Czechoslovakia and Poland. I wish to say, with whatever force the words of one Member of Congress can carry, that the United States is not unmindful of these great and heroic acts, and that every policy of our Gov-





Digest of Congressional Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

		IBBUEU	oune 22, 1994
OFFICE OF BUDGET AND FINANCE	For act	ions of	June 21, 1954
(For Department Staff Only)		83	rd-2nd, No. 114
	CONTENTS		
Appropriations2	Forests and forestry9	Surplus prop	erty4
Coccount of 1	Honotae form 10	Moration	8

	• • • • • • • • • • • • • • • • • • • •	
Appropriations2	Forests and forestry9	Surplus property4
Cocenat oil8	Housing, farm10	Taxation8
Coffee	Legislative program5,6	TVA14
Commodity exchange13	Loans, farm10	Veterans' benefits10
Farm program1	Organization, executive2	Water compact3
Fats and oils8	Soil conservation7	Water resources12
Flood control2	Statistics	

HIGHLIGHTS: House committee acted on diverted acres. House received conference report on Army flood-control appropriation bill. Rep. Davis urged House to adopt nate amendment to include coffee under Commodity Exchange Act.

HOUSE

- 1. FARM PROGRAM. The "Daily Digest" states: "Committee on Agriculture: Continued executive consideration of the general farm program and agreed to strike out section 403 of the committee print entitled 'Diverted Acres.' This action was taken on the premise that Secretary of Agriculture Benson has stated that the Department already has authority in this connection and that further legislation was needless." (p. D711.)
- 2. APPROPRIATIONS. Received the conference report on the Army civil functions appropriation bill for 1955, H. R. 8367, which includes appropriations for <u>flood-control</u> (H. Rept. 1892) (pp. 8088-90).

House conferees were appointed on H. R. 8873, the defense appropriation bill; H. R. 8680, the Interior appropriation bill, and H. R. 8067, the State, Justice, Commerce appropriation bill (p. 8088). Senate conferees have been appointed on these bills.

Received from the President a supplemental appropriation estimate of \$553,150 for the Commission on Organization of the Executive Branch of the Government (H. Doc. 440)(p. 8100).

- 3. WATER COMPACT. The Interior and Insular Affairs Committee reported without amendment S. 3336, to include Nevada and Utah among the States authorized to negotiate a compact for division of Columbia River waters (H. Rept. 1895) (p. 8100).
- 4. SURPLUS PROPERTY. The Government Operations Committee reported without amendment H. R. 9232, to extend until June 30, 1955, the period during which disposals of surplus property may be made by negotiation (H. Rept. 1891) (p. 8100).
- 5. LEGISLATIVE PROGRAM. Today the House is to consider the Consent and Private Calendars and the Virgin Islands bill (pp. 8091, D711).

SENATE

6. LEGISLATIVE PROGRAM. Adjourned out of respect to the memory of the late Sen.
Hunt. Today the Senate is expected to consider the calendar, followed by trade
agreements bill (p. D709).

7. SOIL CONSERVATION. As reported (see Digest 113), H. R. 6788, which would be cited as the "Watershed Protection Act." provides as follows:

Sec. 1 states that the Federal Government should cooperate with State and

local agencies in flood-control and water-management projects.

Sec. 2 defines a "work of improvement" as any undertaking for flood prevention and agricultural phases of the conservation, development, utilization, and disposal of water in watershed or subwatershed areas not exceeding 250,000 acres and not including any single structure which provides more than 2,000 acre-feet of total capacity or such greater capacity, not exceeding 5,000 acre-feet, as may be authorized by act of Congress.

Sec. 3 authorizes the Secretary of Agriculture, upon application of local organizations made with the approval of the appropriate State agency, to assist them in preparing and carrying out plans for works of improvement by conducting investigations and studies, furnishing financial and other assistance, and

obtaining the cooperation and assistance of other Federal agencies.

Sec. 4 requires local organizations desiring assistance to (1) acquire needed land, easements, and rights-of-way; (2) assume a share of the cost deemed equitable in consideration of anticipated benefits; (3) make arrangements for defraying costs of operation and maintenance; (4) obtain necessary water rights; and (5) obtain agreements from owners of 50 percent of the lands above each retention reservoir to carry out recommended soil conservation measures.

Sec. 5 provides that before assistance in the installation of any work may be furnished, (1) the plan must be agreed upon by the appropriate State agency, the local organization, and the Secretary; (2) the Secretary must have determined that the benefits exceed the costs; (3) the plan and the justification therefor must have been transmitted to Congress through the President and 45 session days must have elapsed thereafter; and (4) the plan must have been submitted to the Secretary of the Interior if it includes reclamation or irrigation works or affects public lands under his jurisdiction, or to the Secretary of the Army if it includes Federal assistance for floodwater detention structures, at least 90 days before its transmission to Congress, and their views received within that time must be transmitted to Congress with the plan. No such assistance could be furnished until the President issues appropriate regulations to assure coordination of the work.

Sec. 6 authorizes cooperation in watershed investigations and surveys to develop coordinated programs. The Secretary of the Interior is authorized to cooperate in the planning and development of works or programs affecting lands

under his jurisdiction.

Sec. 7 repeals the Secretary's authority under the Flood Control Act of 1936 to make preliminary examinations and surveys and prosecute works of improvement for runoff and waterflow retardation and soil-erosion prevention on watersheds, but preserves his authority to prosecute the 11 projects authorized by the Flood Control Act of 1944 and to prosecute emergency measures under the 1938 act.

BILL INTRODUCED

8. COCONUT OIL. H. R. 9628, by Rep. Dingell, to repeal the 3 cents per pound processing tax on coconut oil; to Ways and Means Committee. (p. 8101.)

BILLS APPROVED BY THE PRESIDENT

- 9. FORESTRY. S. 1399, to authorize sale of certain improvements on national forest land in Arizona to the Salt River Valley Water Users Association. Approved June 18, 1954. (Public Law 401, 83rd Cong.)
- 10. HOMESTEADING. S. 1823, to give to veterans of the Korean conflict the same



Congressional Record

United States
of America

PROCEEDINGS AND DEBATES OF THE 83d CONGRESS, SECOND SESSION

Vol. 100

WASHINGTON, MONDAY, JUNE 21, 1954

No. 114

Senate

(Legislative day of Friday, June 11, 1954)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

The Chaplain, Rev. Frederick Brown Harris, D. D., offered the following prayer:

Eternal spirit, who hast set eternity in our souls, Thou art the law within our minds, the life of every breath we draw, the love that never forgets, and the life that never ends.

At the beginning of another week, as we come to this daily altar of Thy grace, it is ours again to deeply mourn the passing from this sphere of action of an honored Member of this body. We are vividly conscious that across the busy months of this session grim death has been no infrequent visitor to this Chamber where the few deliberate for the many. Our hearts are comforted by the assurance that when to us, from our little, finite point of view, where is naught but the encircling gloom, the darkness and the light are both alike to Thee, and Thou seest what is in the darkness. Our mortal bodies are harps of a thousand strings, and die if one is gone. Strange that a harp of a thousand strings should keep in tune so long. But we are grateful that discordant notes that mar the music here are subdued again into the perfect harmony of the deathless life when this mortal puts on immortality.

We are thinking gratefully today, in this place where he came to the acme of his service, for all the able and devoted contributions made by our departed colleague to his profession and to his State and to his country.

May the benedictions of Thy sustaining grace rest upon his stricken companion and the children who sit today in the bowed circle of grief. And, at last, bring us all to the homeland of Thy eternal love. We ask in the name of that One who is the resurrection and the life. Amen.

THE JOURNAL

On request of Mr. Knowland, and by unanimous consent, the reading of the Journal of the proceedings of Friday, June 18, 1954, was dispensed with.

DEATH OF SENATOR HUNT, OF WYOMING

Mr. KNOWLAND. Mr. President, I suggest the absence of a quorum.

The VICE PRESIDENT. The Secretary will call the roll.

The Chief Clerk proceeded to call the

Mr. KNOWLAND. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. KNOWLAND. Mr. President, the plan is to have no legislative business conducted today. After the resolution respecting the death of the late Senator from Wyoming, Mr. Hunt, has been submitted by his colleague, the Senate will stand in adjournment until 12 o'clock noon tomorrow.

At a later date and a time agreeable to the family of the deceased, to the minority leader, and to the colleague of the late Senator from Wyoming, time will be set aside for memorial services in the Senate; and adequate notice in advance will be given of the date.

Mr. BARRETT. Mr. President, it is my sad duty to advise the Senate of the untimely death, on Saturday last, of my colleague, the senior Senator from Wyoming, Mr. Hunt.

I offer the resolutions, which I send to the desk, and for which I request immediate consideration.

The VICE PRESIDENT. The resolutions will be read.

The resolutions (S. Res. 263) were read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow and deep regret the announcement of the death of Hon. Lester C. Hunt, late a Senator from the State of Wyoming.

Resolved, That the President of the Senate appoint a committee, of which he shall be a member, to attend the funeral of the deceased Senator.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The VICE PRESIDENT, under the second resolving clause, appointed the following Senators to constitute, together with the Vice President, the committee on the part of the Senate to attend the funeral of the deceased Senator: Mr. Barrett, Mr. Johnson of Colorado, Mr. Saltonstall, Mr. Flanders, Mr. Malone, Mr. Stennis, Mr. Anderson, Mr. Kefauver, Mr. Kerr, Mr. Johnson of Texas, Mr. Clements, Mr. Hennings, Mr. Mongroney, Mr. Mansfield, and Mr. Symington.

Mr. KNOWLAND. Mr. President, as a further mark of respect to the memory of the deceased Senator, I move that the Senate do now adjourn.

The motion was unanimously agreed to; and (at 12 o'clock and 11 minutes p. m.) the Senate adjourned until tomorrow, Tuesday, June 22, 1954, at 12 o'clock meridian.

8087

House of Representatives

Monday, June 21, 1954

The House met at 12 o'clock noon. The Chaplain, Rev. Bernard Braskamp, D. D., offered the following prayer:

O Thou who art the only source of wisdom and power that can make and keep us strong and courageous in character and conduct, may we daily bring our life into harmony with the enduring principles of truth and righteousness.

Inspire us with a sincere desire to cultivate a growing interest and capacity for the nobler and more magnanimous

qualities of mind and heart. We penitently confess that we are continually consulting and following our own personal inclinations in preference to

Thy divine will and purpose.

May we never interpret and look upon our high vocation merely as a way of making a living but as a glorious opportunity to minister to the welfare of humanity and lift it into higher levels of thought and feeling.

We thank Thee for Thy servant who now dwells with Thee in eternal blessedness. Thou hast opened unto him the gateway to a larger service and received him into Thy holy presence. Grant unto the members of his bereaved family the consolations of Thy grace.

Hear us in Christ's name. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, June 17, 1954, was read and approved.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Carrell, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following

H. R. 2848. An act to amend section 89 of the Hawaiian Organic Act, as amended;

H. R. 3350. An act for the relief of Ralston Edward Harry; and

H. R. 5840. An act to authorize the Hawaiian Homes Commission to exchange certain Hawalian Homes Commission land and certain easements for certain privately owned land.

The message also announced that the Senate had passed, with amendments in which the concurrence of the House is requested, bills of the House of the following titles:

H.R. 4030. An act to repeal section 4 of the act of March 2, 1934, creating the Model Housing Board of Puerto Rico;

H.R. 6435. An act to amend the Com-modity Exchange Act; H.R. 7434. An act to establish a National Advisory Committee on Education:

H. R. 7601. An act to provide for a White House Conference on Education;

H. R. 8873. An act making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes;

H. R. 9040. An act to authorize cooperative research in education.

The message also announced that the Senate had passed bills and a concurrent resolution of the following titles, in which the concurrence of the House is requested:

S. 2900. An act to authorize the sale of certain land in Alaska to the Harding Lake Camp, Inc., of Fairbanks, Alaska, for use as a youth camp and related purposes;

S. 3487. An act to authorize the Central Bank for Cooperatives and the regional banks to issue consolidated debentures, and for other purposes; and

S. Con. Res. 89. Concurrent resolution to authorize the printing of additional copies of Senate report on Internal Revenue Code

DEPARTMENT OF DEFENSE APPRO-PRIATION BILL, 1955

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. Wiggles-WORTH, SCRIVNER, FORD, MILLER of Maryland, Ostertag, Hruska, Mahon, Shep-PARD, and SIKES.

DEPARTMENT OF THE INTERIOR APPROPRIATION BILL, 1955

Mr. JENSEN. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 8680) making appropriations for the Department of the Interior for the fiscal year ending June 30, 1955, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Iowa? [After a pause.] The Chair hears none, and appoints the following conferees: Messrs. Jensen, Fenton, Budge, Taber, KIRWAN, NORRELL, and CANNON.

DEPARTMENTS OF STATE, JUSTICE, COMMERCE, AND UNITED STATES INFORMATION AGENCY APPROPRIATION BILL.

Mr. CLEVENGER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 8067) making appropriations for the Departments of State, Justice, and Commerce, and the United States Information Agency for the fiscal year ending June 30, 1955, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? [After a pause.] The Chair hears none, and appoints the following conferees: CLEVENGER, COUDERT, Bow. Messis. Clevenger, Coudert, Bow, Coon, Taber, Rooney, Preston, Sikes, and CANNON.

CIVIL FUNCTIONS APPROPRIATION BILL, 1955

Mr. DAVIS of Wisconsin submitted the following conference report and statement on the bill (H. R. 8367) making appropriations for civil functions ad-ministered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes:

CONFERENCE REPORT (H. REPT. No. 1892)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8367) "making appropriations for civil functions administered by the Department of the Army for the fiscal year ending June 30, 1955, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, and 6.

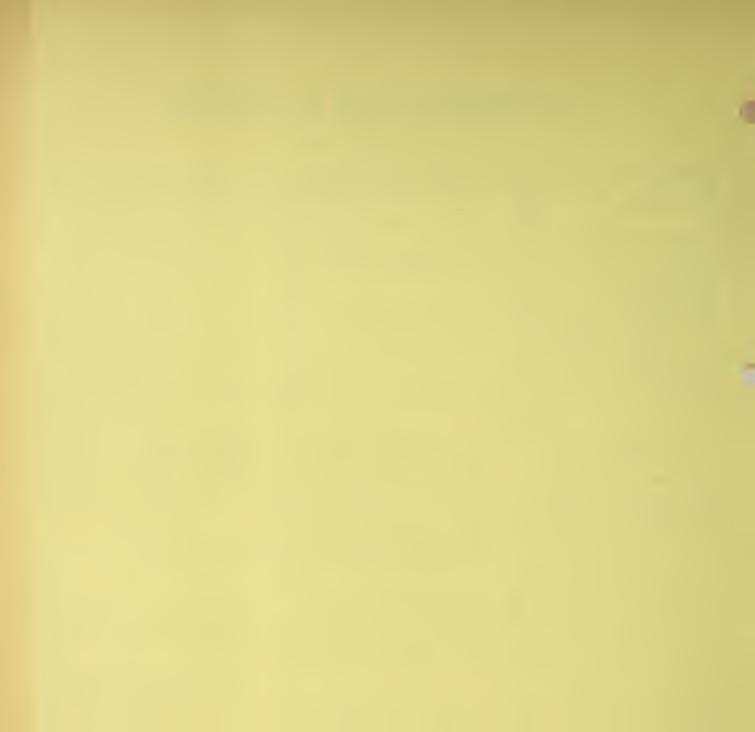
That the House recede from its disagreement to the amendments of the Senate numbered 15, and 17, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$5,489,200"; and the Senate agree to the same.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$2,907,500"; and the Senate agree to the same.

Amendment numbered 4: That the House recede from its disagreement to the amendment of the Senate numbered 4, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amend-





DEPARTMENT OF DEFENSE APPROPRIATION BILL, 1955

June 23, 1954.—Ordered to be printed

Mr. Wigglesworth, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 8873]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 10, 17,

20, 25, 30, 31, 32, 33, and 34.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 11, and 24, and agree to the same.

Amendment numbered 1:

That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$12,250,000;

and the Senate agree to the same.

Amendment numbered 8:

That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$780,895,500; and the Senate agree to the same.

Amendment numbered 12:

That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$104,294,000; and the Senate agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$104,570,000; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$418,070,000;

and the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,502,-

792,000; and the Senate agree to the same.

Amendment numbered 21:

That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment as follows:

In lieu of the sum named in said amendment insert \$235; and the

Senate agree to the same.

Amendment numbered 23:

That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment

as follows:

In lieu of the matter stricken out and inserted by said amendment insert the following: Provided, That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of civilian personnel for an equivalent or greater number of military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such funds as may be required to accomplish the substitution may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with compensation of such civilian personnel; and the Senate agree to the same.

Amendment numbered 26:

That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment as follows:

In lieu of the matter stricken out and inserted by said amendment

insert the following:

Sec. 729. Hereafter, no part of the funds appropriated to the Department of Defense shall be available for the payment to any person in the military service who is resident of a United States Territory or possession, of any foreign duty pay as prescribed in section 206 of the Career Compensation Act (Public Law 351, Eighty-first Congress), unless such

person is serving in an area outside the Territory or possession of which he is a resident.

And the Senate agree to the same.

Amendment numbered 27:

That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment, amended to

read as follows:

SEC. 731. No part of the funds appropriated herein shall be expended for the support of any formally enrolled student in basic courses of the senior division, Reserve Officers Training Corps, who has not executed a certificate of loyalty or loyalty oath in such form as shall be prescribed by the Secretary of Defense.

And the Senate agree to the same.

Amendment numbered 29:

That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment, amended to

read as follows:

Sec. 734. None of the funds appropriated by this Act may be used in the preparation or prosecution of the pending suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others: Provided, That this section shall have no force or effect after the effective date of H. R. 5731, Eighty-third Congress, as finally enacted into law.

And the Senate agree to the same.

Amendment numbered 36:

That the House recede from its disagreement to the amendment of the Senate numbered 36, and agree to the same with an amendment as follows:

In lieu of the number proposed by said amendment insert the following: 739; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 5, 6, 9, 13, 18, 19, 22, 28, and 35.

R. B. Wigglesworth,
Errett P. Scrivner,
Gerald R. Ford, Jr.,
Edward T. Miller,
Harold C. Ostertag,
Roman L. Hruska,
George Mahon,
Harry R. Sheppard,
Robert L. F. Sikes,
Managers on the Part of the House.

Homer Ferguson,
Styles Bridges,
Leverett Saltonstall,
William F. Knowland,
Ralph E. Flanders,
Carl Hayden,
Richard B. Russell,
Dennis Chavez,
Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF DEFENSE

TITLE II.

*Office of the Secretary of Defense

Amendment No. 1—Salaries and expenses: Appropriates \$12,250,000 instead of \$12,000,000 as proposed by the House and \$12,500,000 as proposed by the Senate.

TITLE III

Interservice Activities

Amendment No. 2—Reserve tools and facilities: Reported in disagreement.

TITLE IV

DEPARTMENT OF THE ARMY

Amendment No. 3—Military personnel: Appropriates \$4,150,479,000 as proposed by the House instead of \$4,157,013,000 as proposed by the Senate.

Amendment No. 4—Maintenance and operations: Appropriates \$2,795,722,986 as proposed by the House instead of \$3,060,189,986 as proposed by the Senate.

Amendment No. 5-Military construction, Army Reserve forces: Re-

ported in disagreement.

Amendment No. 6—Army National Guard: Reported in disagreement.

TITLE V

DEPARTMENT OF THE NAVY

Amendment No. 7—Navy personnel, general expenses: Appropriates \$75,030,000 as proposed by the Senate instead of \$74,970,000 as proposed by the House.

Amendment No. 8—Aircraft and facilities: Appropriates \$780,895,500 instead of \$775,895,500 as proposed by the House and \$785,895,500

as proposed by the Senate.

Amendment No. 9—Aircraft and related procurement: Reported in

disagreement.

Amendment No. 10-Ships and facilities: Appropriates \$818,681,000 as proposed by the House instead of \$825,181,000 as proposed by the Senate.

Amendment No. 11—Medical care: Strikes out, as proposed by the

Senate, certain language of the House bill.

Amendment No. 12—Civil engineering: Appropriates \$104,294,000 instead of \$103,294,000 as proposed by the House and \$105,294,000 as proposed by the Senate.

Amendment No. 13—Research and development: Reported in dis-

agreement.

Amendment No. 14—Servicewide operations: Appropriates \$104,570,000 instead of \$103,625,000 as proposed by the House and \$104,849,000 as proposed by the Senate. The managers are agreed that only 2 additional audit offices should be established instead of the 4 additional offices provided in the Senate amendment.

TITLE VI

DEPARTMENT OF THE AIR FORCE

Amendment No. 15—Research and development: Appropriates \$418,070,000 instead of \$409,450,000 as proposed by the House and \$431,000,000 as proposed by the Senate.

Amendment No. 16—Maintenance and operations: Appropriates \$3,502,792,000 instead of \$3,402,792,000 as proposed by the House

and \$3,622,517,000 as proposed by the Senate.

Amendment No. 17—Military personnel: Appropriates \$3,356,704,000 as proposed by the House instead of \$3,357,000,000 as proposed by the Senate.

Amendment No. 18—Reserve personnel: Reported in disagreement. Amendment No. 19-Air National Guard: Reported in disagree-

ment.

Amendment No. 20—Reduction in appropriation, "Air Force Stock Fund": Restores language as proposed by the House. Additional capital is not required because provisions of existing law permit incurring obligations in anticipation of reimbursement. In addition, fund requirements should be reduced by the adoption of administrative procedures which would substantially speed up the collection of outstanding stock fund accounts receivable.

TITLE VII

General Provisions

Amendment No. 21: Provides that appropriations of the Department shall be available for the education of dependents of Department personnel overseas in amounts not to exceed an average of \$235 per student instead of \$225 as proposed by the House and \$237.50 as proposed by the Senate.

Amendment No. 22: Reported in disagreement. Amendment No. 23: This amendment, relating to the transfer of funds necessary to implement the program of substitution of civilian personnel for military personnel, adopts the substance of the Senate

version which extends the transfer of funds provision to include ungraded (blue collar) personnel in addition to graded civilian personnel covered by the House bill.

Amendment No. 24: Adopts language clarifying legal training

during off-duty hours.

Amendment No. 25: Restores the provision in the House bill which will permit agencies of the Department of Defense, during fiscal year 1955, to accept real property, services, and commodities from foreign countries for the use of the United States in accordance with mutual defense agreements or occupational arrangements and the use thereof for support of United States forces in such areas without specific appropriations therefor. The managers gave this amendment detailed and careful consideration, but concluded that because of the temporary nature of the situation that the proposed amendment was designed to cover and because of the understanding that the present system has been satisfactory no change would be proposed at this time.

Amendment No. 26: In lieu of the House and Senate provisions in this amendment, relating to foreign-duty allowances of certain military personnel, the provision agreed upon prohibits the use of funds appropriated to the Department of Defense for payment to any person who is resident of a United States Territory or possession of any foreign-duty pay as prescribed in section 206 of the Career Compensation Act unless such person is serving in an area outside of the Territory or possession of which he is a resident. The present restriction on the payment of authorized station allowances is removed.

Amendment No. 27: This amendment, relating to ROTC students, adopts language proposed by the House with a clarifying amendment. The amended version identifies those persons required to execute a certificate of loyalty, or loyalty oath, as "formally enrolled," which is understood to refer to those beginning students who are eligible for the full 4-year course leading to ultimate commissioning in the United States armed services and are therefore so enrolled by the appropriate military department.

Amendment No. 28: Reported in disagreement.

Amendment No. 29: Restores provision of the House restricting the use of funds for the preparation or prosecution of the pending suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, amended to make this restriction applicable only up to the time of enactment into law of H. R. 5731 now pending in the Congress.

Amendments Nos. 30, 31, and 32: Correct section numbers.

Amendment No. 33: Eliminates the provision of the Senate providing for allocation to the Department of Defense of funds appropriated to the Foreign Operations Administration for military assistance. The managers are agreed that this matter should be dealt with in the consideration of appropriations for the Foreign Operations Administration.

Amendment No. 34: Eliminates provision of the Senate concerning the basis for awarding contracts. The managers are agreed that contracts for procurement in the Department of Defense should not be used for the purpose of relieving economic dislocations as stated in section 733 of the bill. The managers feel that more specific language in the appropriation act may be confusing or impractical, particularly in view of Public Law 413 of the 80th Congress. The managers expect the Department of Defense to comply with basic law. If any changes are to be made they should be made by amendment to Public Law 413.

Amendment No. 35: Reported in disagreement. Amendment No. 36: Corrects section number.

SENATE REPORT

In regard to the general statement in the report of the Senate committee with respect to transfers between projects within items of appropriation, it is agreed by the managers that such transfers shall be effective only with respect to those specific projects which were reduced by the House and made the subject of appeal for restoration to the Senate and only upon prior approval of the Appropriations Committees of the Senate and the House of Representatives for the Department of Defense.

R. B. WIGGLESWORTH,
ERRETT P. SCRIVNER,
GERALD R. FORD, Jr.,
EDWARD T. MILLER,
HAROLD C. OSTERTAG,
ROMAN L. HRUSKA,
GEORGE MAHON,
HARRY R. SHEPPARD,
ROBERT L. F. SIKES,
Managers on the Part of the House.

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- 14. PHILIPPINE IMPORTS. Passed as reported H. R. 9315, to continue on a reciprocal basis the period of free entry of Philippine articles into the U, S. Rep. Bonner stated, "I have withdrawn my objection...due to the fact that I have received direct assurance...that inequities now in existence with respect to tobacco will be eliminated. (pp. 8307-9.)
- 15. DEFENSE APPROPRIATION BILL, 1955. Received the conference report on this bill, H. R. 8873 (H. Rept. 1917) (pp. 8309-11).
- 16. RECLAMATION. Passed with amendments H. R. 4854, to authorize the Foster Creek division of the Chief Joseph Dam project, Wash. (pp. 8311-3).
- 17. FOREIGN AID. The Foreign Affairs Committee decided to include in the foreign-aic bill the authorizations recommended by the President except for "shifting of part of the authorizations for development assistance for the Near East and for the Far East to defense support for these areas" (p. D726).

BILLS INTRODUCED

- 3. PERSONNEL. H. R. 9664, by Rep. Teague, to prevent the infiltration of subversive persons into Government employment; to Post Office and Civil Service Committee (p. 8329).
- 19. LAND TRANSFER. H. J. Res. 550, by Rep. Hagen, Calif., to permit release of reversionary rights in a 37-acre tract to the Vineland School District, Calif.; to Agriculture Committee (p. 8329).

ITEMS IN APPENDIX

20. FARM PROGRAM. Extension of remarks of Rep. Withrow supporting the administration's policies and including a statement that "dairy products should be supported under the same system as basic commodities" (pp. A4586-7).

Rep. Miller, Nebr., inserted several Nebraska Stock Growers Association resolutions urging flexible price supports on agricultural commodities, reduction in foreign aid, more complete animal disease research program, continuation of Government beef buying program, etc. (pp. A4587-8).

Sen. Langer inserted a constituent's letter complaining about prices that

farmers are receiving for their products (p. A4603).

- 21. PRICE SUPPORTS. Rep. Wilson, Calif., inserted a San Diego editorial, "High, Fixed Price Supports Dangerous", which includes a statement that "wartime farm-production stimulants endanger the health of the national economy" (p. A4588).
- 22. TEXTILES. Rep. Lane inserted testimony on behalf of the Textile Workers Union of America, CIO, in support of H. R. 9430, to provide for unemployment reinsurance grants to the States (pp. A4588-92).
- 23. NEWSPRINT. Sen. Johnson, Tex., inserted a Lufkin Daily News editorial commending industrial progress in Angelina County foundries, woodworking, and lumber manufacturing plants, particularly that of the Southland Papers Mills, Inc. (p. A4600).
- 24./TVA. Rep. Davis, Tenn., inserted an article by Mr. Lowell Mellett criticizing the President's directive to the Atomic Energy Commission to purchase power from a private plant to be erected in Arkansas. (p. A4619).

- 25. VIRGIN ISLANDS. Speech of Rep. Miller, Nebr., favoring H. R. 5181, to revise the Organic Act of the Virgin Islands (pp. 44592-3).
- 26. SURPLUS COMMODITIES. Speech of Rep. Sullivan objecting to certain provisions of S. 2475, to increase the consumption of U. S. agricultural commodities in foreign countries, etc. (pp. A4602-3).

Sen. Goldwater inserted a Syracuse (N.Y.) Post-Standard article, "Farm and Food: Surplus Problem Seen Bringing More Controls," discussing problems caused by surplus crops and stating that as more acreage controls, allotments, and marketing quotas become more strict it will become difficult to change from one crop to the other (pp. A4609-10).

BILL APPROVED BY THE PRESIDENT

27. TOBACCO. S. 3050, to amend the Agricultural Adjustment Act of 1938 regarding tobacco marketing quotas. Approved June 22, 1954 (Public Law 425, 83rd Congress).

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COMMITTEE HEARING ANNOUNCEMENT FOR JUNE 24: Farm program, H. and S. Agriculture (exec).

year for 20 years, or until January 1, 1973, after which these imported items would become dutiable at 100 percent of the rate. A similar situation applies to United States imports into the Philip-

The pending bill, while deferring the first step of imposing 5 percent of the duty on July 4, 1954, and the second step of an additional 5 percent for 1955, would not affect the situation as to years thereafter. In other words, in 1956, 15 percent of the applicable rate of duty would still apply, just as if we had gone through the first two 5 percent steps.

During this period of postponement, it is anticipated that this country and the Philippines will work out modifications of the trade agreement between the two countries to their mutual satisfaction and benefit.

All interested departments and agencies reported favorably on the bill. The State Department, in particular, urges this legislation in light of the present situation in the Far East.

(Mr. BONNER (at the request of Mr. Reed of New York) was given permission to extend his remarks at this point.)

Mr. BONNER. Mr. Speaker, I have withdrawn my objection to the immediate consideration of H. R. 9315, due to the fact that I have received direct assurance from responsible representatives of the Philippine Government that the inequities now in existence with respect to tobacco will be eliminated. Mr. Speaker, the Philippine Government has not lived up to the existing pact.

In 1946 the United States and the Philippine Republic signed a mutual trade agreement. Among other things, the agreement provided that certain products originating in the Philippines would be imported into the United States duty free, and that certain products originating in the United States would be imported into the Philippines duty free, until July 4, 1954.

Leaf tobacco is one of the United States products now on the duty-free list. The present agreement provides that from July 4, 1954, to December 31, 1954, the rate of import duty imposed by the Philippines on United States leaf tobacco shall be 5 percent of the rate imposed in 1909. The rate increases progressively each year thereafter until it equals the full 1909 rate, which was \$4.80 per kilo for unstemmed leaf and \$5.52 per kilo for stemmed leaf.

The Philippine Islands for many years have used considerable amounts of American leaf tobacco. Under the trade agreement of 1946, it was contemplated that no restrictions would be placed upon shipments of United States leaf tobacco to the Philippines because of the favorable terms upon which Philippine products were allowed to be imported into the United States.

In 1952, contrary to the spirit and content of the Trade Agreement Act of 1946, the Philippine Congress passed a law known as Act 698, which drastically limits the importation of leaf to-bacco to the Philippine Islands. This act provides that the total imports for 1952 shall not exceed 75 percent of the total imports for 1950; that the 1953 im-

ports shall not exceed 50 percent of the 1950 total imports; that the 1954 imports shall not exceed 40 percent of the 1950 imports; and for each succeeding year, the total imports shall not exceed 25 percent of the total imports for 1950—these provisions do not apply to wrapper leaf tobacco.

It is the position of the leaf tobacco industry that this law is in violation of the 1946 trade agreement. It severely restricts and could entirely stop the shipment of United States leaf tobacco to the Philippines while at the same time the Philippines would enjoy all of the advantages of free trade originating under the trade agreement. It is of no avail to American tobacco producers to have leaf tobacco on the duty-free list, if the importation of tobacco is prohibited by Philippine law.

In 1953 the Philippines produced approximately 2.5 million pounds of Virginia Bright tobacco. The normal annual requirements of the Philippines for this type of tobacco is estimated to be approximately 23 million pounds. Under Act 698, imports licenses were issued by the Philippine Government for approximately 14.3 million pounds in 1953. Import licenses for 1954 will approximate 11 million pounds.

In order to protect the interests of American tobacco growers, the leaf-to-bacco industry urges the administration, first, to request the repeal of Act 698 in return for the admission of Philippine products duty free into this country; second, to include leaf tobacco in the list of commodities to be included in the new duty-free list, by agreement of the two Governments.

Should the Philippine Government attempt to eliminate the Philippines as a potential market for United States leaf tobacco, the tobacco interests in this country will consider it necessary to oppose any proposal by the Philippine Government to change the existing trade agreement.

There will be another day with respect to this trade act.

There is additional legislation in which the Philippine Government, as well as Philippine citizens, are interested.

I will watch to see whether Act 698 of the Philippine Congress is repealed.

I will watch our trade with the Philippines in other respects; for instance, our merchant marine.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That the duty-free treatment provided for in section 201 of the Philippine Trade Act of 1946 (60 Stat. 143) shall apply in lieu of the treatment specified in paragraphs (1) and (2) of subsection (a) of section 202 of that act, to Philippine articles entered, or withdrawn from warehouse, in the United States for consumption during such period after July 3, 1954, but not after December 31, 1955, as the President may declare by proclamation to be a period during which United States articles, as defined in that act, will be admitted into the Republic of the Philippines free of ordinary customs duty, as such duty is defined in that act. Notwithstanding any such proclamation, paragraph (2) of such subsection shall be

considered as having been in effect for the purpose of applying the provisions of paragraph (3) of such subsection.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

CONFERENCE REPORT ON MILITARY APPROPRIATIONS

Mr. SCRIVNER. Mr. Speaker, I ask unanimous consent that the managers on the part of the House have until midnight tonight to file a conference report on the military appropriations bill.

The SPEAKER. Is there objection to the request of the gentleman from Kansas?

There was no objection.

The conference report and statement follows:

CONFERENCE REPORT (H. REPT. No. 1917)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8873) "making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the Senate recede from its amendments numbered 3, 4, 10, 17, 20, 25, 30, 31, 32, 33, and 34.

That the House recede from its disagreement to the amendments of the Senate numbered 7, 11, and 24, and agree to the same.

Amendment numbered 1: That the House recede from its disagreement to the amendment of the Senate numbered 1, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$12,250,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$780,895,500"; and the Senate agree to the same.

Amendment numbered 12: That the House recede from its disagreement to the amendment of the Senate numbered 12, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$104,294,000"; and the Senate agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$104,570,000"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$418,070,000"; and the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "\$3,502,792,000"; and the Senate agree to the same.

Amendment numbered 21: That the House recede from its disagreement to the amendment of the Senate numbered 21, and agree to the same with an amendment, as follows: In lieu of the sum named in said amendment.

ment insert "\$235"; and the Senate agree to the same.

Amendment numbered 23: That the House recede from its disagreement to the amendment of the Senate numbered 23, and agree to the same with an amendment, as follows: In lieu of the matter stricken out and inserted by said amendment, insert the following: "Provided, That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of civilian personnel for an equivalent or greater number of military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such funds as may be required to accomplish the substitution may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with compensation of such civilian personnel"; and the Senate agree to the same.

Amendment numbered 26: That the House recede from its disagreement to the amendment of the Senate numbered 26, and agree to the same with an amendment, as follows:

In lieu of the matter stricken out and inserted by said amendment, insert the following:

"SEC. 729. Hereafter, no part of the funds appropriated to the Department of Defense shall be available for the payment to any person in the military service who is resident of a United States Territory or possession, of any foreign duty pay as prescribed in section 206 of the Career Compensation Act (Public Law 351, Eighty-first Congress), unless such person is serving in an area outside the Territory or possession of which he is a resident.'

And the Senate agree to the same.

Amendment numbered 27: That the House recede from its disagreement to the amendment of the Senate numbered 27, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"SEC. 731. No part of the funds appropriated herein shall be expended for the support of any formally enrolled student in basic courses of the senior division, Reserve Officers Training Corps, who has not executed a certificate of loyalty or loyalty oath in such form as shall be prescribed by the Secretary of Defense."

And the Senate agree to the same.

Amendment numbered 29: That the House recede from its disagreement to the amendment of the Senate numbered 29, and agree to the same with an amendment, as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"SEC. 734. None of the funds appropriated by this Act may be used in the preparation or prosecution of the pending suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others: Provided, That this section shall have no force or effect after the effective date of H. R. 5731, Eighty-third Congress, as finally enacted into law."

And the Senate agree to the same.

Amendment numbered 36: That the House recede from its disagreement to the amend-ment of the Senate numbered 36, and agree to the same with an amendment, as follows: In lieu of the number proposed by said amendment, insert the following: "739"; and the Senate agree to the same.

The committee of conference report in disagreement amendments numbered 2, 5, 6, 9, 13, 18, 19, 22, 28, and 35.

R. B. WIGGLESWORTH, ERRETT P. SCRIVNER, GERALD R. FORD, JR., EDWARD T. MILLER, HAROLD C. OSTERTAG, ROMAN L. HRUSKA, GEORGE MAHON, HARRY R. SHEPPARD, ROBERT L. F. SIKES,

Managers on the Part of the House. HOMER FERGUSON. STYLES BRIDGES, LEVERETT SALTONSTALL, WILLIAM F. KNOWLAND, RALPH E. FLANDERS, CARL HAYDEN. RICHARD B. RUSSELL. DENNIS CHAVEZ,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, submit the following statement in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

DEPARTMENT OF DEFENSE

Title II

Office of the Secretary of Defense

Amendment No. 1-Salaries and expenses: Appropriates \$12,250,000 instead of \$12,000,-000 as proposed by the House and \$12,500,000 as proposed by the Senate.

Title III-Interservice activities

Amendment No. 2-Reserve tools and facilities: Reported in disagreement.

Title IV-Department of the Army

Amendment No. 3-Military personnel: Appropriates \$4,150,479,000 as proposed by the House instead of \$4,157,013,000 as proposed by the Senate.

Amendment No. 4-Maintenance and operations: Appropriates \$2,795,722,986 as proposed by the House instead of \$3,060,189,986 as proposed by the Senate.

Amendment No. 5-Military construction, Army Reserve Forces: Reported in disagree-

ment. Amendment No. 6-Army National Guard: Reported in disagreement.

Title V-Department of the Navy

Amendment No. 7-Navy personnel, general expenses: Appropriates \$75,030,000 as proposed by the Senate instead of \$74,970,000 as proposed by the House.

Amendment No. 8-Aircraft and facilities: Appropriates \$780,895,500 instead of \$775,-895,500 as proposed by the House and \$785,-895,500 as proposed by the Senate.

Amendment No. 9—Aircraft and related procurement: Reported in disagreement.

Amendment No. 10—Ships and facilities: Appropriates \$818,681,000 as proposed by the House instead of \$825,181,000 as proposed by the Senate.

Amendment No. 11-Medical care: Strikes out, as proposed by the Senate, certain language of the House bill.

Amendment No. 12-Civil engineering: Appropriates \$104,294,000 instead of \$103,294,-000 as proposed by the House and \$105,-294,000 as proposed by the Senate.

Amendment No. 13—Research and develop-

ment: Reported in disagreement.

Amendment No. 14—Service-wide operations: Appropriates \$104,570,000 instead of \$103,625,000 as proposed by the House and \$104,849,000 as proposed by the Senate. The Managers are agreed that only two additional audit offices should be established instead of the four additional offices provided in the Senate amendment.

Title VI-Department of the Air Force

Amendment No. 15-Research and development: Appropriates \$418,070,000 instead of \$409,450,000 as proposed by the House and \$431,000,000 as proposed by the Senate.

Amendment No. 16—Maintenance and operations: Appropriates \$3,502,792,000 instead of \$3,402,792,000 as proposed by the House and \$3,622,517,000 as proposed by the Sen-

Amendment No. 17—Military personnel: Appropriates \$3,356,704,000 as proposed by the House instead of \$3,357,000,000 as proposed by the Senate.

Amendment No. 18-Reserve personnel: Reported in disagreement.

Amendment No. 19-Air National Guard:

Reported in disagreement.

Amendment No. 20: Reduction in appropriation, Air Force stock fund: Restores language as proposed by the House. Additional capital is not required because provisions of existing law permit incurring obligations in anticipation of reimbursement. In addition, fund requirements should be reduced by the adoption of administrative procedures which would substantially speed up the collection of outstanding stock fund accounts receivable.

Title VII—General provisions

Amendment No. 21: Provides that appropriations of the Department shall be available for the education of dependents of Department personnel overseas in amounts not to exceed an average of \$235 per student instead of \$225 as proposed by the House and \$237.50 as proposed by the Senate.

Amendment No. 22: Reported in disagreement.

Amendment No. 23: This amendment, relating to the transfer of funds necessary to implement the program of substitution of civilian personnel for military personnel, adopts the substance of the Senate version which extends the transfer of funds provision to include ungraded (blue collar) personnel in addition to graded civilian personnel covered by the House bill.

Amendment No. 24: Adopts language clarifying legal training during off-duty

Amendment No. 25: Restores the provision in the House bill which will permit agencies of the Department of Defense, during fiscal year 1955, to accept real property, services, and commodities from foreign countries for the use of the United States in accordance with mutual defense agreements or occupational arrangements and the use thereof for support of United States forces in such areas without specific appropria-tions therefor. The managers gave this amendment detailed and careful considera-tion, but concluded that because of the temporary nature of the situation that the proposed amendment was designed to cover and because of the understanding that the present system has been satisfactory no change would be proposed at this time.

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and Senate provisions in this amendment, relating to foreign duty allowances of certain military personnel, the provision agreed upon prohibits the use of funds appropriated to

the Department of Defense for payment to any person who is resident of a United States territory or possession of any foreign duty pay as prescribed in section 206 of the Career Compensation Act unless such person is serving in an area outside of the territory or possession of which he is a resident. present restriction on the payment of authorized station allowances is removed.

Amendment No. 27: This amendment, relating to ROTC students, adopts language proposed by the House with a clarifying amendment. The amended version identifies those persons required to execute a certificate of loyalty, or loyalty oath, as "formally enrolled," which is understood to refer to those beginning students who are eligible for the full four year course leading to ulti-mate commissioning in the United States Armed Services and are therefore so enrolled by the appropriate military depart-

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Amendment No. 29: Restores provision of the House restricting the use of funds for the preparation or prosecution of the pending suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, amended to make this restriction applicable only up to the time of enactment into law of H. R. 5731 now pending in the Congress.

Amendments Nos. 30, 31, and 32: Correct section numbers.

Amendment No. 33: Eliminates provision of the Senate providing for allocation to the Department of Defense of funds appropriated to the Foreign Operations Administration for military assistance. The managers are agreed that this matter should be dealt with in the consideration of appropriations for the Foreign Operations Administration.

Amendment No. 34: Eliminates provision of the Senate concerning the basis for awarding contracts. The managers are agreed that contracts for procurement in the Department of Defense should not be used for the purpose of relieving economic dislocations as stated in section 733 of the bill. The managers feel that more specific language in the appropriation act may be confusing practical, particularly in view of Public Law
413 of the 80th Congress. The managers expect the Department of Defense to comply
with basic law. If any changes are to be made they should be made by amendment to Public Law 413.

Amendment No. 35: Reported in disagreement.

Amendment No. 36: Corrects section number.

Senate report: In regard to the general statement in the report of the Senate Committee with respect to transfers between projects within items of appropriation, it is agreed by the managers that such transfers shall be effective only with respect to those specific projects which were reduced by the House and made the subject of appeal for restoration to the Senate and only upon prior approval of the Appropriations Committees of the Senate and the House of Representatives for the Department of Defense.

R. B. WIGGLESWORTH,

ERRETT P. SCRIVNER, GERALD R. FORD, Jr. EDWARD T. MILLER, HAROLD C. OSTERTAG, ROMAN L. HRUSKA, GEORGE MAHON. HARRY R. SHEPPARD, ROBERT L. F. SIKES.

WAR-RISK HAZARD AND DETEN-TION BENEFITS

Managers on the Part of the House.

ask unanimous consent for the imme- on the bill itself.

diate consideration of the bill (H. R. 9505) to continue the effectiveness of the act of December 2, 1942, as amended, and the act of July 28, 1945, as amended, relating to war-risk hazard and detention benefits until July 1, 1955.

The Clerk read the title of the bill. The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

The Clerk read the bill, as follows:

Be it enacted, etc., That section 201 of the act of December 2, 1942 (ch. 668, 56 Stat. 1033), as amended, is amended by deleting the words "July 1, 1954" and inserting in lieu thereof "July 1, 1955."

SEC. 2. Section 5 (b) of the act of July 28, 1945 (ch. 328, 59 Stat. 505), as amended is amended by deleting the words "July 1, 1954" and inserting in lieu thereof "July 1, 1955."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FOSTER CREEK DIVISION OF CHIEF JOSEPH DAM, WASH.

Mr. ELLSWORTH. Mr. Speaker, I call up the resolution (H. Res. 587) providing for the consideration of H. R. 4854, a bill to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington, and ask for its immediate consideration.

The Clerk read the resolution, as fol-

Resolved, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4854) to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington. After general debate, which shall be confined to the bill, and shall continue not to exceed 1 hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Interior and Insular Affairs, the bill shall be read for amendment under the 5-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to re-

Mr. ELLSWORTH. Mr. Speaker, I yield 30 minutes to the gentleman from Mississippi [Mr. Colmer].

I yield myself such time as I may require, Mr. Speaker.

Mr. Speaker, I rise to urge the adoption of House Resolution 587 which will make in order the consideration of the bill H. R. 4854, to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington.

House Resolution 587 provides for an Mr. REED of Illinois. Mr. Speaker, I open rule with 1 hour of general debate

H. R. 4854, Mr. Speaker, would authorize the Foster Creek division of the Chief Joseph project and it is estimated that the cost of this part of the Chief Joseph project would be approximately \$4,571,600. The particular section that would be served by the project is the north central Washington area midway between the Wenatchee and Okanogan fruit belts.

If this bill is passed in its present form, Mr. Speaker, enough water will be delivered in this area to irrigate 5,950 acres. Delivery of the water would be made through erection of works consisting of diversion works at the dam and two main canals, one on each side of the Columbia River.

It is expected that the water users will pay \$2,522,600 back on this over a period of 50 years in addition to meeting the operating, maintenance, and replacement costs of the project.

Reimbursable costs in excess of the amount to be returned by water users in 50 years would be assigned to repayment from surplus power revenues of the Chief Joseph Dam. According to the report it is anticipated that the balance of \$2,049,000 would require less than 3 months to pay off from power revenues after power costs are amortized.

Mr. Speaker, the Bureau of the Budget has raised no objection to this bill and in view of the apparent financial soundness of the project as well as the far-reaching agricultural advantages inherent in this project. I hope that the House will adopt the rule and that the bill itself will pass the House.

The SPEAKER. The gentleman from Mississippi [Mr. Colmer] is recognized. Mr. COLMER. Mr. Speaker, I have

no requests for time on this side. Mr. ELLSWORTH. Mr. Speaker, I

move the previous question.

The previous question was ordered. The SPEAKER. The question is on the resolution.

The resolution was agreed to.

Mr. MILLER of Nebraska. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 4854) to authorize the Secretary of the Interior to construct, operate, and maintain the irrigation works comprising the Foster Creek division of the Chief Joseph Dam project, Washington.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 4854, with Mr. Cotton in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Nebraska [Mr. MILLER] will be recognized for 30 minutes; and the gentleman from California [Mr. ENGLE] will be recognized for 30 minutes.

The Chair recognizes the gentleman from Nebraska [Mr. MILLER].

[Mr. MILLER of Nebraska addressed the Committee. His remarks will appear hereafter in the Appendix.]

Mr. MILLER of Nebraska. Mr. Chairman, I yield 5 minutes to the gentleman from Washington [Mr. HORAN].

(Mr. HORAN asked and was given permission to revise and extend his re-

marks.)

Mr. HORAN. Mr. Chairman, this is a very simple bill. Chief Joseph Dam was authorized in 1946 as strictly a dam to produce hydroelectric power. A great many of us felt that it should be a multiple-purpose project, and in 1952 the House gave permission for the Secretary of the Interior to make studies in connection with Chief Joseph Dam to determine whether or not there were irrigation possibilities there. They reported that there was such a possibility. Three bills will eventually be introduced to cover these possibilities, the first of which you are considering now for approximately 6,000 acres. The bills, later to be considered, will cover other areas near Chief Joseph that can be benefited.

It is not a large project. We have favorable reports from all of the departments interested in this bill, from the Bureau of the Budget, from the States that are affected in that area; in fact, all of the reports on this bill are favorable.

This will be repaid. The benefit-tocost ratio is extremely good in the case of this project; it is almost 5 to 1. As far as I can see there is no possible objection to it. The power revenues involved will repay the cost to the Federal Government in less than a year, and the users of the project, the settlers, will pay almost \$2 million toward the establishment of this reclamation project.

I do trust that the committee will accept this bill.

Mr. Chairman, I yield back the balance of my time.

Mr. ASPINALL. Mr. Chairman, I merely take this opportunity to say, as our distinguished chairman said, that the committee reported the bill out without any opposition. I gladly support the legislation and hope the Members on this side do also.

Mr. Chairman, I have no further re-

quests for time.

Mr. MILLER of Nebraska. There are no further requests for time on this side.

The CHAIRMAN. There being no further requests for time under general debate the Clerk will read the bill for amendment.

Mr. MILLER of Nebraska. Mr. Chairman, I ask unanimous consent that the hill may be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

The bill reads as follows:

Be it enacted, etc., That, as an initial step in supplementing the act of July 17, 1952 (Public Law 577, 82d Cong.), and in order to provide water for the irrigation of approximately 8,700 acres of land along the Columbia and Okanogan Rivers in the vicinity of Chief Joseph Dam, Washington, the Secretary of the Interior is authorized to construct, operate, and maintain the Foster Creek division of the Chief Joseph Dam project which includes the East Canal, shoreline pumping, and Bridgeport Bar units substan-

tially in accordance with the physical plans therefor set out in the regional director's report of November 1, 1952.

SEC. 2. In the construction, operation, and maintenance of the works herein authorized. the Secretary shall be governed by the Federal reclamation laws (act of June 17, 1902, 32 Stat. 388, and acts amendatory thereof or supplementary thereto) except that (a) the period provided in subsection (d), section 9, of the Reclamation Project Act of 1939 (53 Stat. 1187), for repayment of construction costs properly chargeable to any block of lands and assigned to be repaid by the irrigators may be 50 years, exclusive of a development period, from the time water is first delivered to that block or to as near that number of years as is consistent with the adoption and operation of a variable payment formula as hereinafter provided; (b) any repayment contract entered into may provide that the amounts to be paid thereunder shall be determined in accordance with a formula, mutually agreeable to the parties, which reflects economic conditions pertinent to the irrigators' payment capacity; (c) the benefits of the first proviso in the act of July 1, 1932 (47 Stat. 564), may be extended to lands served by the project which are, and as long as they remain, in Indian ownership, all costs properly assignable for repayment by such lands but deferred by application of said act being payable in accordance with the other provisions of this act after the Indian title has been extinguished; and (d) all irrigation construction costs which are found by the Secretary to be beyond the ability of the irrigators to repay shall be assigned for return to the reclamation fund from Chief Joseph Dam project power revenues. Power and energy required for irrigation pumping for the units herein authorized shall be made available by the Secretary from the Chief Joseph Dam powerplant and other Federal plants interconnected therewith at rates not to exceed the cost of such power and energy from the Chief Joseph Dam taking into account all costs of the dam, reservoir, and powerplant which are determined by the Secretary under the provisions of the Federal reclamation laws

SEC. 3. Reports on additional reclamation units in the vicinity of the Chief Joseph Dam project proposed to be constructed as units of the project shall be submitted by the Secretary from time to time in accordance with the provisions of the act of July 17,

to be properly allocable to such irrigation

pumping power and energy.

1952, supra. Sec. 4. There are hereby authorized to be appropriated out of any moneys in Treasury not otherwise appropriated, \$6,000,-000 and such sums as are required to operate and maintain said project.

The CHAIRMAN. The Clerk will report the committee amendments.

The Clerk read the committee amendments as follows:

Page 1, lines 5 and 6, strike the words "eight thousand seven hundred" and insert in lieu thereof the words "six thousand."

Page 2, lines 2 and 3, strike the words "the physical plans therefor set out in the regional director's report of November 1, 1952." and insert in lieu thereof: "Paragraph 25, Recommendation (b) contained in the Regional Director's report of March 20, 1953, save and except that portion relating to Indian lands which is not hereby author-

Page 2, line 18, following the word "paid", insert the word "annually."

Page 2, line 21, strike all of subsection (c), ending on page 3, line 3.

Page 3, line 3, strike the subsection designation "(d)" and insert in lieu thereof "(c)." Page 3, line 6, strike the period and add the following: "to the extent that such reve-

nues are available over and above all costs properly chargeable to power, including interest on the unamortized portion of the power investment.

Page 3, line 24, beginning with the figure "\$6,000,000", strike the remainder of bill and insert in lieu thereof: "\$4,571,600 plus or minus such amounts, if any, as may be justified by reason of ordinary fluctua-tions in the cost of said type of construction without endangering the economic feasibility of the Foster Creek division of the Chief Joseph Dam project, Washington."

The committee amendments were agreed to.

Mr. D'EWART. Mr. Chairman, I move to strike out the last word.

The Chairman, I would like to call the attention of the House to the fact that our colleague the gentleman from Wyoming [Mr. HARRISON] is chairman of the subcommittee from which this bill was reported. He has been chairman of the Subcommittee on Irrigation and Reclamation during this session of Congress.

A very large number of bills have been sent to that subcommittee for his consideration and he has given of his time, of his energy and of his experience in helping to guide those bills through the Congress.

He is an exceedingly valuable chairman. He has been working hard on various pieces of legislation that were before his subcommittee. During this session of Congress we have had a number of policy matters in regard to reclamation that have come up. He has helped us invariably in resolving those so that they are of benefit to western reclamation people.

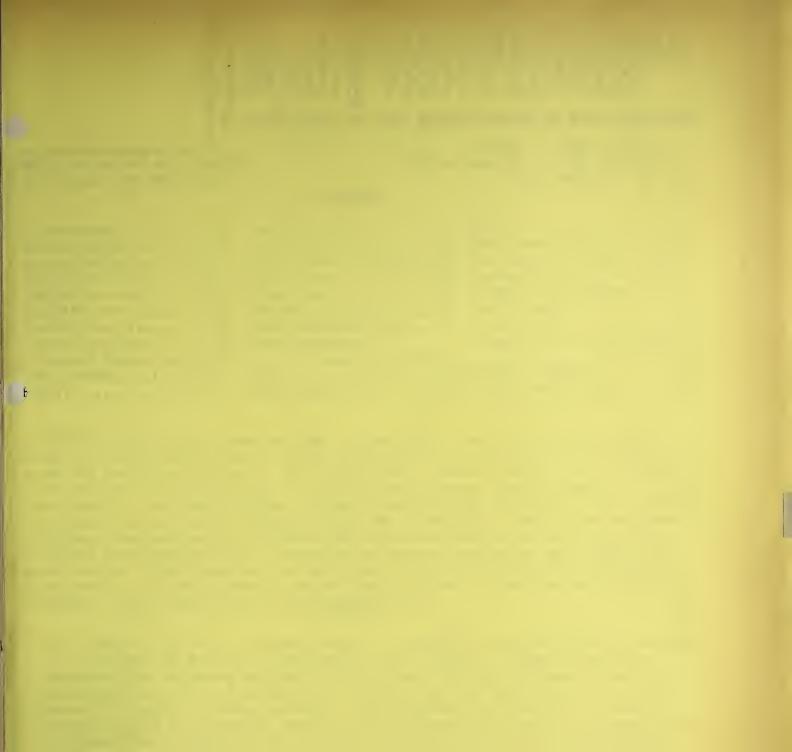
The gentleman from Wyoming IMr. HARRISON] has been especially interested in the Upper Colorado Basin de-velopment, part of which reaches into the State of Wyoming. There is a bill pending that has not yet come to the floor of the House which will mean a great deal to all of that territory in the Upper Colorado Basin. I know of his great interest in that project.

The gentleman from Wyoming [Mr. HARRISON] has also served on various subcommittees of the Committee on Interior and Insular Affairs, including the Subcommittee on Mines and Mining which includes oil and public lands, all of which have a great deal to do with the growth of his State. He has proven himself to be a valuable member of these committees and I take pleasure in rising here in the House today to speak of his great ability and the fine service he has rendered to the Congress, to the Nation, and to his State.

Mr. ENGLE. Mr. Chairman, I move to strike out the last two words.

Mr. Chairman, I want to say for the RECORD that I made a personal investigation of this project in the district represented by the able gentleman from Washington [Mr. Horan], that I heartily and vigorously support the authorization of this project. May I say to the Members of the Committee also that if this is not a good irrigation-power project, there isn't a good one in the United States.

I am glad to see that legislation is finally on its way to take some of the power revenues of the Chief Joseph Dam





Digest of CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only) Issued June 25, 1954
For actions of June 24, 1954
83rd-2nd, No. 117

CONTENTS

Animal disease	Loans, farm	Rice
Extension Service9 Farm program1,10,18,21	REA	Virgin Islands

HIGHLIGHTS: Rep. Hope introduced farm program bill. Committee was authorized to report it during House recess. Senate committee voted to continue rigid price supports and took other actions on farm program bill. Senate passed bill to continue trade agreements program 1 year. Rejected Hundt amendment to strengthen Sec. 22 on farm imports. Sen. Bowring spoke favoring flexible price supports. Senate committee voted to report bill to regulate pesticide chemicals. Sen. Douglas defended MRECA regarding amendment to increase REA appropriations. Both Houses received buildings lease-purchase bill. House passed measure continuing farm housing program 1 month. House committee was authorized to report foreign aid bill during House recess. Committee voted to report this bill, and it was cleared by Rules Committee. Rep. Chiperfield introduced this bill.

- 1. FAR! PROGRAM. The "Daily Digest" states: "Committee on Agriculture and Forestry ...continued its executive consideration of S. 3052, ... following which it announced the following actions: (1) By a vote of 8 to 7, agreed to extend mandatory 90 percent of parity price supports for the basic crops for 1 more year; (2) Agreed to retain mandatory price supports for tung nuts and honey between 60 and 90 percent of parity; and (3) Agreed to introduce a separate bill to extend the authority of the Secretary of Agriculture to make agricultural conservation payments on a national basis. The committee defeated, by a vote of 9 nays to 6 yeas, a motion to extend mandatory 90 percent of parity price supports for the basic crops for 2 years." (pp. D731-2.)
- 2. TRADE AGREETENTS. Passed, 71 to 3, with amendment H. R. 9474, to continue for 1 year (until June 12, 1955) the President's authority to enter into reciprocal trade agreements (pp. 8345-78, 8381-416). Agreed to an amendment by Sen. Johnson, Colo. (for Sen. Symington) to prohibit action under this authority which would decrease the duty on any article by an amount that would threaten supplies to meet national defense needs (pp. 8415-6). Rejected the following amendments:

 By Sen. Mundt, providing that if the Tariff Commission finds that imports of any commodity will materially hamper the price-support program, the President shall impose up to 50% fees on such articles; by a 23-52 vote (pp.

8408-13).

By Bep. Malone, to establish a Strategic and Critical Minerals and Materials Authority (pp. 8413-15).

During debate on the bill, Sen. Malone stated that farmers have what amounts to a protective tariff through price supports (pp. 8376-7).

- 3. PRICE SUPPORTS. Sen. Bowring spoke in favor of the Administration's recommendations for flexible price supports (pp. 8378-80).
- 4. REA APPROPRIATIONS. Sen. Douglas explained the development of his amendment to increase the REA item in the agricultural appropriation bill by \$35 million and defended the activities of NRECA in this regard (pp. 8417-19).
- 5. PESTICIDE CHEMICALS. The Labor and Public Welfare Committee voted to report (but did not actually report) with amendment H. R. 7125, to amend the Federal Food, Drug, and Cosmetic Act with respect to residues of pesticide chemicals in or on raw agricultural commodities (p. D732).
- 6. BUILDINGS. Both Houses received the conference report on H. R. 6342, to authorize GSA to acquire real property and to provide for construction of public building thereon by executing purchase contracts (pp. 8419-21, 8427-9).
- 7. VIRGIN ISLANDS. Senate conferees were appointed on S. 3378, to revise the Virgin Islands organic act, with a provision regarding importation of <u>diseased animals</u> (pp. 8335-40). House conferees have not yet been appointed.
- 8. NOMINATION of Lewis G. Castle, to be Administrator of the St. Lawrence Seaway Development Corporation, was received (pp. 8335, 8426).
- 9. LEGISLATIVE PROGRAM. The Labor-HEW appropriation bill was made the unfinished business. Sen. Knowland indicated that the Indian extension work bill would be considered today, the calendar of bills would be read Sat., and debate on the tax bill would begin Mon. (pp. 8416-7).

HOUSE

- 10. FARM PROGRAM. The House Agriculture Committee considered further the <u>diverted</u> <u>acres</u> question in connection with the farm program bill. The Committee was authorized to report the bill, H. R. 9680, during the House recess (until midnight June 26). It is expected that the bill will be reported today. (pp. 8435, D733.)
- 11. FOREIGN AID. The Foreign Affairs Committee ordered reported (but did not actually report) H. R. 9678, the Mutual Security Act of 1954. The Committee was given permission to have until midnight tonight, June 25, to file its report and the Rules Committee granted a rule providing for general debate on, and waiving points of order against, this bill. (pp. D734-5)
- 12. DEFENSE APPROPRIATION BILL, 1955. Agreed to the conference report on this bill, H. R. 8873 (pp. 8430-1). The Senate has not yet acted upon the report.
- 13. HOUSING LOANS. Passed without amendment S. J. Res. 167, to continue various housing laws for July 1954 pending enactment of the regular housing bill (p. 8435). This measure authorizes \$8,500,000 additional for loans under the farm housing program administered by this Department, plus additional amounts for contribution under the program. This bill will now be sent to the President.

vide for equal annual payments for the amortization of principal and interest but the same cannot exceed a specific limitation to be provided in the annual appropriation acts. Because appropriations have already been passed for the fiscal year 1955, this amendment sets a specific limitation for that fiscal year. The Senate by its amendment had set that limitation at an amount not to exceed \$4 million and the House prevailed upon them to make the amount \$5 million. Similar language to that contained in this amendment is likewise found in title II with respect to the Postmaster General and in that section the limitation on the appropriation for the fiscal year 1955 is set at \$3 million. The reason for the greater amount being allowed to the Administrator of General Services is that in practical application the Administrator will construct buildings which will be occupied by the Post Office Department as well as by other agencies of the Federal Government and is also authorized, upon request of the Postmaster General, to construct buildings for post office purposes. Normally the practice is when a building is to be used predominantly by the Post Office Department, then the Postmaster General has jurisdiction, and when such structures are to be used predominantly by agencies of the Government other than the Post Office Department, even though some space may be occupied by the post office, then the jurisdiction is that of the Administrator of General Services.

The amounts allowed for the fiscal year 1955 were considered reasonable by the respective authorities involved, it being understood in subsequent fiscal years the annual appropriations will be set in the appropriation acts. House conferees recede.

Amendment No. 2, constitutes a change in drafting only as the substance of this amendment is incorporated in the new language for amendment numbered 5. In amendment No. 2 it was required that the purchase contracts have the approval of the Director of the Bureau of the Budget and that the execution of such contracts be necessary and in conformity with the policy of the President. This language has now been eliminated by the Senate receding from its amendment No. 2 and the language stated has been provided for in amendment No. 5. Senate conferees recede.

Amendment No. 3, sets up standards for the cost evaluation of the property involved in any purchase contract. It is understood that the item "cost of improvements" is intended to mean the fair value to the Government of improvements to be constructed (but not to exceed the total expenditures reasonably incurred by the contractor in connection with the provision of such improvements together with a reasonable profit thereon). House conferees recede.

Amendment No. 4, eliminates the lan-

guage of the House permitting an exemption for purchase contracts calling for an expenditure of not more than \$50,000 per annum. The language developed in Senate amendment No. 5 permits no exemptions.

The House conferees recede.

Amendment No. 5, dealing with the General Services Administration, together with its counterpart, amendment No. 15, in title II dealing with the Post Office Department, originally required that no lease-purchase agreement could be executed unless the appropriate executive department comes into agreement with the Committees on Public Works with respect to each proposed project. For the purpose of obtaining such agreement, it required the submission of certain itemized data describing and justifying the proj-The conferees have agreed to new language which accomplishes the same purpose as the original Senate amendment and which is understood to satisfy the previous constitutional objections of the executive de-partment. The pertinent part of the new

language reads as follows: "No appropriations shall be made for purchase contract projects which have not been approved by resolutions adopted by the Committees on Public Works of the Senate and House of Representatives, respectively, within 3 years after the date of enactment of this act." The new language retains the requirement for submission of itemized data for consideration by the committees. The substance of amendment No. 2 requiring approval of the Bureau of the Budget is incorporated in the new language.

It is understood that the approval procedures provided for in this language will also be observed for any projects proposed in the fiscal year 1950 and that funds appropriated for that year may be used for projects approved in that manner within the limits of the amounts specified in this act.

The original House language required merely the submission of reports 30 days prior to the effective dates of the purchase contracts to the President of the Senate and to the Speaker of the House of Representatives for appropriate reference to commit-The Senate considered that the use of tees. such language was too broad a delegation of authority which could be abused and lead to an uncontrolled building program beyond the purposes of the Congress. The Senate by roll call vote of 60 to 8 voted against the original House language. The conferees agreed that this was a new type of authorization which has many experimental aspects and therefore felt that Congress should put adequate restraints upon this delegation of authority. The conferees believe that the language now agreed to provides adequate safeguards. The conferees also agreed to language which would limit the approval of such contracts for a period of 3 years with an opportunity to review the effectiveness of the program prior to that time and if found satisfactory extension of the program could then be considered by the Congress. House conferees recede.

Amendments No. 6, No. 7, and No. 25, provide for a change of date from 1953 to 1954.

House conferees recede.

Amendments No. 8, No. 9, and No. 10, are considered jointly for they deal with the same subject matter. The Senate felt that certain provisions of the bill were so broad in scope that it would be possible for the Postmaster General to enter into lease-purchase agreements under which any or all of the more than 3,100 Government-owned post-office buildings now in use could be demolished and replaced with new buildings. As it was agreed that the Postmaster General did not seek nor desire such unlimited authority, the conferees have recommended amendments in section 202 which would make clear that this authority cannot be applied to any Government-owned property acquired prior to this act on which a building has been constructed and is now in use

for postal purposes. House conferees recede.

Amendment No. 11, changes subsection
"(d)" to "(e)". House conferees recede.

Amendment No. 12, constitutes a change in drafting only and in substance is incorporated in the new language for amend-ment No. 15. It will affect the Postmaster General in the same fashion as the Administrator of General Services is affected in the explanation set forth with respect to amendment No. 2. Senate conferees recede.

Amendment No. 13, affects the Postmaster General in the same manner provided in the statement contained herein with respect to amendment No. 3 which affects the Administrator of General Services. House conferees recede.

Amendment No. 14, changes subsection "(e)" to "(f)". House conferees recede.

Amendment No. 15, is almost indentical

in substance with the statement made herein with respect to amendment No. 5. The House did not provide for any report referrals or approval by the committees with respect to Post Office lease-purchase agree-The conferees agreed that the delements. gation of this authority was likewise too broad, therefore, to be consistent provided for the same safeguards with respect to the Postmaster General as were provided for the Administrator of General Services as explained in the statement regarding amendment No. 5. In similar fashion the approval of lease-purchase contracts executed by the Postmaster General was limited for a period of 3 years. House conferees recede.

Amendment No. 16, provides that any interest in real property acquired thereunder by the Postmaster General shall be subject to State and local taxes until the title passes to the Government of the United States. The House had provided such a provision with respect to property acquired by the Administrator of General Services and the conferees agreed that a similar provision should be contained with respect to properties acquired by the Postmaster General. House conferees recede.

Amendment No. 17 is similar in most of all its aspects to the statement made with respect to amendment No. 1 except that the limitation for the fiscal year 1955 appropriation to the Post Office Department is set at \$3 million. The Senate had set that limitation at \$1 million and the House conferees prevailed upon them to make the amount \$3 million. In subsequent fiscal years the annual appropriations will be set in the appropriation acts. House conferees recede.

Amendments No. 18 and No. 20 are considered jointly for they deal with the same subject matter and provide safeguards to make certain that the post-office sites acquired pursuant to section 101 of the Public Buildings Act of 1949, as well as the existing Government-owned post offices now in use for postal purposes cannot be disposed of for the purposes of making lease agreements. The bill as it passed the House did not contain such a provision. House conferees recede.

Amendment No. 19 sets a limit of 30 years on the length of the lease periods which could be executed under this act. The bill as it passed the House contained no such limitation. It was felt that if any longer term is contemplated, a lease-purchase contract under the provisions of section 202 would be preferable to straight leasing. House conferees recede.

Amendment No. 21, designates a new subsection as "(a)." House conferees recede.

Amendment No. 22, provides that the amounts received by the Government from sales, leases or other disposals of property acquired will be receipts obtained under authority of tile II of this act. House conferees recede.

Amendments No. 23 and No. 24, are considered jointly for they deal with the same subject matter. The conferees have agreed to amend section 205 of the act so that when any funds received from the sale, lease or disposal of property under the provisions of title II are available to be credited to current Post Office Department appropriations, any excess of the amount to be credited over the amount paid for the property shall be covered into the Treasury as miscellaneous receipts. Also, if any property acquired pursuant to the Public Building Acts of 1926 and 1949 should be transferred to the Postmaster General and subsequently sold or disposed of, any amounts received from such disposal shall be covered into the Treasury as miscellaneous receipts. House conferees

> GEORGE A. DONDERO, HOMER D. ANGELL, J. HARRY McGREGOR, GEORGE H. FALLON, JAMES W. TRIMBLE, Managers on the Part of the House.

DEPARTMENT OF DEFENSE APPRO-PRIATION BILL, 1955

Mr. WIGGLESWORTH. Mr. Speaker, I call up the conference report on the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes, and ask unanimous consent that the statement of the managers on the part of the House be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of June 23, 1954.)

Mr. WIGGLESWORTH. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to. The SPEAKER. The Clerk will report the first amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 2: Page 4, line 20, insert:

"RESERVE TOOLS AND FACILITIES

"Amounts made available under this head for the fiscal year 1954 but not transferred to other appropriations during that year shall remain available for such transfer during the current fiscal year."

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede from its disagreement to the amendment of the Senate numbered 2, and concur therein with an amendment, as follows: After the word "Amounts" in line 2 of said amendment insert the following: ", not exceeding \$100,000,000."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 5: Page 9, line 12, insert ": Provided, That not to exceed \$36 million may be transferred to this appropriation from the appropriation 'Procurement and Production, Army' for the construction of National Guard armories in accordance with sald act of September 11, 1950, when such transfers are determined by the Secretary of Defense to be in the national in-

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk reads as follows:

Mr. WIGGLESWORTH moves that the House recede from its disagreement to the amendment of the Senate numbered 5, and concur therein with an amendment, as follows: In lieu of the matter proposed by sald amendment insert ": Provided, That not to exceed \$18 million may be transferred to this appropriation from the appropriation 'Procure-ment and Production, Army' for National Guard armory and nonarmory construction in accordance with the act of September 11,

1950, when such transfers are determined by the Secretary of Defense to be in the national Interest: Provided further, That such portion of the amount so transferred as may be applied to the construction of buildings and facilities other than armories shall be without regard to the 75 percent restriction on contributions contained in section 4 (d) of the act of September 11, 1950."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 6: Page 11, line 3, insert ": Provided, That in addition, the Secretary of the Army may transfer not to exceed \$25 million to this appropriation from the appropriation 'Procurement and Production, Army': Provided further, That obligations may be incurred under this appropriatlon for installation, maintenance, and operation of facilities for antlaircraft defense without regard to section 67 of the National Defense Act.'

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 9: Page 17, line 1, insert ": Provided, That \$700,000 of the foregoing amount shall be transferred to the appropriation 'Salaries and expenses, Weather Bureau, Department of Commerce', fiscal year 1955."

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate Amendment No. 13: Page 21, llne 16, insert ": Provided, That the unexpended balances appropriated for research and development under the heads 'Naval Personnel, General Expenses,' 'Marine Corps, Troops and Facilities,' 'Aircraft and Facilities,' 'Ships and Facilities,' 'Ordnance and Facilities,' 'Medical Care,' 'Civil Engineering,' 'Service-wide Supply and Finance, Navy' for the fiscal years 1953 and 1954 and the unexpended balance of appropriations under the head 'Research' are hereby transferred to and merged with this appropriation, in such amounts as may be recommended by the Secretary of Defense and approved by the Director of the Bureau of the Budget."

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede from its dlsagreement to the amendment of the Senate numbered 13, and concur therein with an amendment, as follows: Before the period at the end of said amend-ment, insert the following: ", except that the total unobligated portions of such balances so transferred and merged shall not exceed \$8,703,100."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 18: Page 29, line 2, insert ": Provided, That in addition, the Secretary of the Air Force may transfer not to exceed \$5 million to this appropriation from any appropriation available to the Department of the Air Force for obligation.'

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. Wigglesworth moves that the House recede from its disagreement to the amendment of the Senate numbered 18, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment Insert ": Provided, That In addltion, the Secretary of the Air Force may transfer not to exceed \$5 million to this appropriation from any appropriation available to the Department of the Air Force which is limited for obligation to fiscal year 1955.

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 19: Page 30, llne 9, insert "That in addition, the Secretary of the Air Force may transfer not to exceed \$9,000,-000 to this appropriation from any appropriation available to the Department of the Air Force for obligation."

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede from its disagreement to the amendment of the Senate numbered 19, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert "That in addition, the Secretary of the Air Force may transfer not to exceed \$9,000,000 to this appropriation from any appropriation available to the Department of the Air Force which is limited for obligation to fiscal year 1955: Provided further.

The motion was agreed to.
The SPEAKER. The Clerk will report the next amendment in disagreement. The Clerk read as follows:

Senate amendment No. 22: Page 39, llne 19, Insert ": Provided further, That no funds avallable to agencles of the Department of Defense shall be used for the operation, acquisition, or construction of facilitles ln the continental limits of the United States for metal-scrap baling or shearing or for melting or sweating aluminum scrap unless the Secretary of Defense or an Assistant Secretary of Defense designated by him determines, with respect to each facility involved. that the operation of such facility must be continued in the national interest."

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede from its disagreement to the amendment of the Senate numbered 22, and concur therein with an amendment, as follows: In lleu of the matter proposed by said amendment insert ": Provided further, That no funds available to agencies of the Department of Defense shall be used for the operatlon, acquisitlon, or construction of facilities or equipment for new facilities ln the continental limits of the United States for metal-scrap balling or shearing or for melting or sweating aluminum scrap unless the Secretary of Defense or an Assistant Secretary of Defense designated by him determines, with respect to each facility involved, that the operation of such facility is in the national interest."

The motion was agreed to.
The SPEAKER. The Clerk will report the next amendment in disagreement. The Clerk read as follows:

Senate amendment No. 28: Page 49, line 22, insert:

"Sec. 731. Those appropriations or funds available to the Department of Defense or any agency thereof which would otherwise lapse for expenditure purposes on June 30, 1954, and designated by the Secretary of Defense not later than July 31, 1954, shall remain available until June 30, 1955, to such department or agency solely for expenditure for the liquidation of obligations legally incurred against such appropriation during the period for which such appropriation was legally available for obligation: Provided, That nothing in this section shall be construed to change the authority of the Department of Defense, or any agency thereof, and of disbursing officers and authorized certifying officers to apply for a decision in advance of payment and the duty of the Comptroller General to render such decision, or the authority of the General Accounting Office to settle and adjust proposed payments involving doubtful questions of law or fact."

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede from its disagreement to the amendment of the Senate numbered 28, and concur therein with an amendment, as follows: In lieu of the matter proposed by said amendment insert:

"Sec. 731½. Those appropriations or funds available to the Department of Defense or any agency thereof which would otherwise lapse for expenditure purposes on June 30, 1954, and designated by the Secretary of

Defense not later than July 31, 1954, shall remain available until June 30, 1955, to such department or agency solely for expenditure for the liquidation of obligations legally incurred against such appropriation during the period for which such appropriation was legally available for obligation: Provided, That the Department of Defense shall make a review of all contracts entered into under such appropriations or funds and outstanding on June 30, 1954, and report to the Appropriations Committees of the Senate and the House of Representatives by January 31, 1955, (a) the total value of contracts canceled, (b) the total value of contracts adjusted and the resultant savings therefrom, and (c) the total value of contracts continued on the basis of determined need: Provided further, That any such contract shall be terminated no later than June 30, 1955, unless the Secretary of the Department concerned certifies prior to January 1, 1955, that continuation is necessary for reasons of economy or in the national interest."

The motion was agreed to.

The SPEAKER. The Clerk will report the next amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 35: Page 53, line 20, insert: "Sec. 739. During the fiscal year 1955, appropriations of the Department of Defense shall be available for reimbursement to the Post Office Department for payment of costs of commercial air transportation of military mail between the United States and foreign countries."

Mr. WIGGLESWORTH. Mr. Speaker, I move that the House recede and concur in the Senate amendment with an amendment.

The Clerk read as follows:

Mr. WIGGLESWORTH moves that the House recede from its disagreement to the amendment of the Senate numbered 35, and concur therein with an amendment, as follows: Change the section number from "739" to The motion was agreed to.

Mr. WIGGLESWORTH. Mr. Speaker, I yield to the gentleman from Massachusetts [Mr. HESELTON].

(Mr. HESELTON asked and was given permission to revise and extend his remarks.)

[Mr. HESELTON addressed the House. His remarks will appear hereafter in the Appendix.]

A motion to reconsider the votes by which action was taken on the several motions was laid on the table.

GENERAL LEAVE TO EXTEND

Mr. WIGGLESWORTH. Mr. Speaker, I ask unanimous consent that I may extend my remarks in the Record at this point on the conference report just adopted, include tables and extraneous matters, and make a similar request for other members of the House conferees.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. WIGGLESWORTH. Mr. Speaker, this bill as brought to you today carries an overall total of just over \$28,-800,000,000. The total is \$115,875,000 above the total approved by the House and is \$416,981,000 below the total approved by the Senate.

The total agreed to in conference is just short of \$1,087,000,000 below the budget estimates.

In addition the bill carries rescissions from funds previously made available in the amount of \$1,050,000,000.

I include at this point in the RECORD a table entitled "Summary of Conference Action":

Summary of conference action, Department of Defense appropriation bill, 1955

Title	Appropriations,	Budget esti- mates, 1955	House bill	Senate bill	Conference action	Increase (+) or conference act with—	decrease (-) tion compared Senate bill
Title I—National Security Training Commission Title II—Office of the Secretary of Defense Title III—Interservice activities Title IV—Department of the Army Title V—Department of the Navy Title VI—Department of the Air Force. Total Total	\$55,000 13,250,000 756,300,000 12,937,406,000 9,438,310,000 11,168,000,000 34,313,321,000	\$55,000 13,500,000 547,500,000 8,211,000,000 9,915,000,000 11,200,000,000 29,887,055,000	\$55, 000 12, 500, 000 527, 500, 000 7, 619, 066, 986 9, 705, 818, 500 10, 819, 310, 000 28, 684, 250, 486	\$55,000 13,000,000 527,500,000 7,890,067,986 9,725,602,500 11,060,881,000 29,217,106,486	\$55,000 12,750,000 527,500,000 7,619,066,986 9,712,823,500 10,927,930,000 28,800,125,486	+\$250,000 +7,005,000 +108,620,000 +115,875,000	-\$250,000 -271,001,000 -12,779,000 -132,951,000 -416,981,000

Note.—Conference bill compared with appropriations, 1954, -\$5,513,195,514. Conference bill compared with budget estimates, 1955, -\$1,086,929,514. In addition rescissions totaling \$1,050 million have been effected by the bill (stock funds, \$550 million; procurement and production, Army, \$500 million).

It may perhaps be added in respect to amendment No. 28 adopted by the Senate that the proviso clause inserted by the Senate has been stricken inasmuch as it is not necessary. As a matter of fact the language of the amendment without the proviso preserves all the controls referred to in the proviso as well as all other provisions of law respecting the settlement of contracts and claims against the Government. The inclusion of the proviso might inferentially have waived provisions of law not specifically covered by it. This statement has the concurrence of the General Accounting Office.

Mr. FORD. Mr. Speaker, I should

like to take this opportunity to discuss with the membership the action of the conference with respect to the item of military construction, Army Reserve forces. This item provides funds for the construction of armory and nonarmory facilities for both the Army Reserve and the Army National Guard.

The budget estimate for this item was \$15 million, of which \$5 million was for Army Reserve construction, \$9 million for the Federal share of National Guard armory construction, and \$1 million for National Guard facilities other than armories. Both this House and the other body adopted these amounts as the appropriation in the bill.

Subsequent to the hearings before our committee, a complete list of appropriations by individual States in support of National Guard armories was made available to the Senate. This compila-tion appeared to indicate an additional requirement of \$36 million in order that the Federal Government contribution of 75 percent toward National Guard armory construction, correspond exactly to existing State appropriations. The Senate amended the bill to provide the Secretary of Defense authority to transfer up to \$36 million, in addition to the appropriation, from procurement and production funds, for the construction of National Guard armories. Any such

transfers must be approved by the Secretary of Defense, who shall determine that the transfer is in the national interest.

Discussion in conference developed that an increase in the armory construction program, from the present rate to a rate calling for obligations of Federal funds in amounts of \$3\% million per month was unlikely. Agreement was reached on a total transfer authority, in addition to the appropriation of \$18

It was also pointed out that one of the most pressing needs is in the area of protection and preservation of federally owned military equipment in the hands of National Guard units. The conferees determined that funds made available by the permissive transfer authority ought, therefore, to be available for the construction of nonarmory facilities such as shops and storage buildings.

The amendment of the Senate numbered 6, to which this House is asked to agree, provides for an additional \$25 million for the Army National Guard. This additional amount would be made available by transfer from the appropriation "Procurement and Production, Army" at the discretion of the Secretary of the Army.

Both the House and the Senate versions of the bill (H. R. 8873) provided \$218,530,000, the amount of the original budget estimate, for the Guard. The additional \$25 million results from a supplemental request by the Department of the Army, contained in Senate Document 124, based in part on increasing numerical strength of the Guard.

The principal necessity for additional funds, however, is the new program of the National Guard for the maintenance and operation of antiaircraft batteries. This program will relieve the Regular Army from the operation of numerous local standard antiaircraft artillery sites and permit them to concentrate on more complex defensive measures such as the operation of the Nike antiaircraft guided missile batteries.

Since the National Defense Act limits the apportionment of National Guard funds to a State in accordance with the proportion of that State's guard strength to the national total guard strength, language is included in the Senate amendment waiving that particular limitation with respect to the antiaircraft program. Obviously, the cost of installing, maintaining, and operating antiaircraft units will, in some States, cause this proportion of funds to be exceeded.

COMMITTEE ON FOREIGN AFFAIRS

Mr. CHIPERFIELD. Mr. Speaker, I ask unanimous consent that the Committee on Foreign Affairs may sit during the session of the House today, and that the committee may have until midnight tomorrow to file its report on H. R. 9678, the Mutual Security Act of 1954, and that the report may consist of two parts, the second part of which shall contain a compliance with the Ramseyer

The SPEAKER. Is there objection to the request of the gentleman from Illi-

There was no objection.

COMDR. DONALD B. MACMILLAN

Mr. SHORT. Mr. Speaker, I ask unanimous consent for the immediate consideration of the bill (S. 3476) to provide for the advancement of Comdr. Donald B. MacMillan, United States Naval Reserve, retired, to the grade of rear admiral on the Naval Reserve retired list.

Mr. RAYBURN. Mr. Speaker, reserving the right to object, may we have a statement concerning this bill? I did not know anything about this before.

Mr. SHORT. Mr. Speaker, a brief

word of explanation.

The purpose of S. 3476 is to advance the famous Arctic explorer, Donald B. MacMillan, from the grade of commander, United States Navy, retired, to the grade of rear admiral on the Naval Reserve retired list. Commander MacMillan is now 80 years old, and has made 29 Arctic expeditions. He will be in Washington Saturday night, and will leave Sunday for the Arctic to begin his 30th expedition.

He is a great American and has contributed immeasurably to the science of hydrography, meteorology, and geography in the polar regions. As a Reserve retired commander, he now receives retirement pay in the amount of \$93 per month. This bill will not increase his retirement pay by one penny, but it will bestow upon him the honor to which he is so justly entitled.

Mr. RAYBURN. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from Misrouri [Mr. SHORT]?

There being no objection, the Clerk read the bill, as follows:

Be it enacted, etc., That Comdr. Donald B. MacMillan, United States Naval Reserve, retired, shall be advanced on the Naval Reserve retired list to the grade of rear admiral effective as of the date of enactment of this act, in recognition of his lifelong and invaluable services on behalf of the United States and the United States Navy through outstanding contributions to the sciences of hydrography, meteorolgy, and geography in the polar areas.

SEC. 2. Nothing contained in this act shall be deemed to increase the retired or retirement pay received by the said Comdr. Donald B. MacMillan and no other benefits shall accrue to him by virtue of the enactment

The bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

COMMITTEE ON INTERIOR AND INSULAR AFFAIRS

Mr. D'EWART. Mr. Speaker, I ask unanimous consent that the Committee on Interior and Insular Affairs may have permission to sit during the session of the House this afternoon.

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

SIOUX INDIANS OF THE LOWER BRULE AND THE CROW CREEK RESERVATIONS, S. DAK.

Mr. D'EWART. Mr. Speaker, I ask unanimous consent to take from the Speaker's resk the bill (H. R. 2231) to authorize the negotiation and ratification of separate settlement contracts with the Sioux Indians of the Lower Brule and the Crow Creek Reservations in South Dakota for Indian lands and rights acquired by the United States for the Fort Randall Dam and Reservoir, Missouri River development, to authorize a transfer of funds from the Secretary of Defense to the Secretary of the Interior and to authorize an appropriation for the removal from the taking area of the Fort Randall Dam and Reservoir, Missouri River development, and the reestablishment of the Indians of the Yankton Indian Reservation in South Dakota, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill. The Clerk read the Senate amendments, as follows:

Page 3, strike out lines 14 to 17, inclusive,

"(d) State that the payments authorized to be made shall be in full and complete settlement of all claims by the tribe and its members against the United States arising because of the construction of the Fort Randall project."

Page 4, line 17, after "used" insert ", together with any other appraisals which may be available."

Page 5, line 24, strike out all after "SEC. 8." over to and including line 2 on page 6 and insert "There is hereby authorized to be appropriated to the Secretary of the In-

The SPEAKER. Is there objection to the request of the gentleman from Montana?

There was no objection.

The Senate amendments were concurred in, and a motion to reconsider was laid on the table.

MRS. OLYMPIA CUC

Mr. GRAHAM. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H. R. 3038) for the relief of Mrs. Olympia Cuc, with Senate amendment thereto, and concur in the Senate amendment.

The Clerk read the title of the bill. The Clerk read the Senate amend-

ment, as follows:

Line 7, strike out all after "fee." down to and including line 11.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

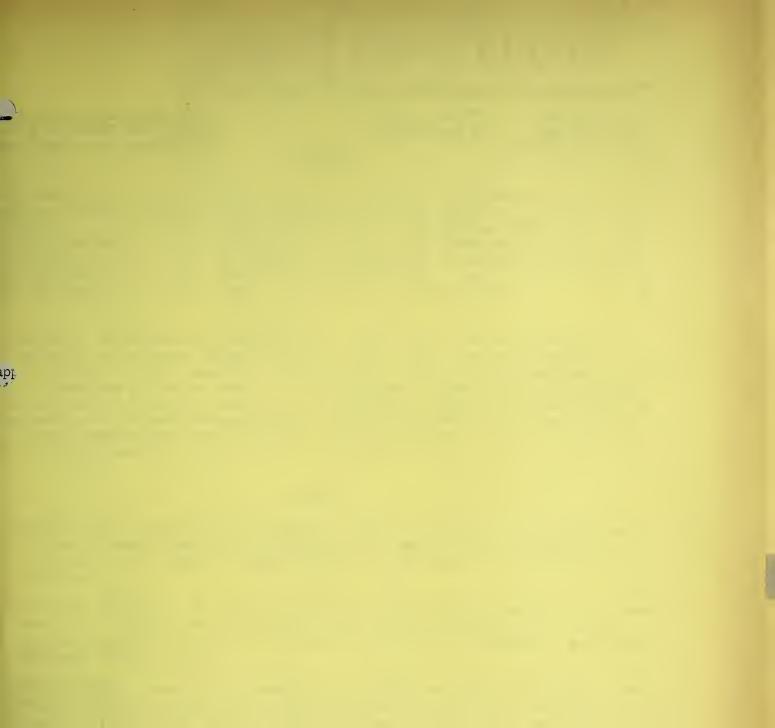
There was no objection.

The Senate amendment was concurred in, and a motion to reconsider was laid on the table.

JUVENILE ROWDYISM

(Mr. CURTIS of Missouri asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. CURTIS of Missouri. Mr. Speaker, I am taking this time to call atten-





Digest of Congressional Pigest of Proceedings

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE (For Department Staff Only)

Issued For actions of

June 28, 1954 June 25, 1954

83rd-2nd, No. 118

CONTENTS

Adjournment8	Forestry14,18	Reclamation16,20
Appropriations3,5,12,15	Labor, farm3	Reports6
	Loans, farm4	
Electrificationll	Lobbying4	Taxation
Extension workl	Personnel10,13,21	Unemployment compensation
Farm program7,9	Pesticide chemicals2	,
Foreign aid20	REA5	Vehicles6

GHLIGHTS: House committee reported farm program bill. Senate passed bill to cansfer Indian extension work to USDA and States. Senate passed Labor-HEW appropriation bill with amendment to aid migratory labor. Senate committee reported bill to regulate pesticide chemicals. Sen. Williams claimed FCA lobbying against amendment to limit broiler loans. Sen. Aiken claimed unfair tactics in sponsoring amendment to increase REA appropriations. House committee voted to report bill to provide unemployment compensation for Federal employees. President approved O&C land bill June 24.

SENATE

- 1. EXTENSION WORK. Passed with amendments S. 3385, to transfer to this Department and the States the agricultural extension work among Indians. Agreed to an amendment by Sen. Hayden to exempt Arizona and New Mexico from the bill. (pp. 8518-20.)
 - PESTICIDE CHEMICALS. The Labor and Public Melfare Committee reported with amendment H. R. 7125, to amend the Federal Food, Drug, and Cosmetic Act so as to regulate residues of pesticide chemicals in or on raw agricultural commodities (S. Rept. 1635)(p. 8452).
- 3. APPROPRIATIONS. Passed with amendments H. R. 9447, the Labor-HEW appropriation bill for 1955 (pp. 8459, 8469, 8471-6, 8478-83). Agreed to an amendment by Sen. Cooper to increase the Bureau of Labor Standards by \$100,000 so as to improve the conditions in migratory labor (pp. 8471-3). Senate conferees were appointed.

Agreed to the conference report on H. R. 8873, the defense appropriation bill for 1955, and acted upon amendments in disagreement (pp. 8455-9). This bill will now be sent to the President.

Passed with amendments H. R. 9517, the D. C. appropriation bill for 1955 (pp. 8496-9). Senate conferees were appointed. The bill had been reported by the Appropriations Committee earlier in the day (S. Rept. 1634)(p. 8452).

The Appropriations Committee reported with amendments H. R. 9203, the legislative-judiciary appropriation bill for 1955 (S. Rept. 1630)(p. 8452).

FARM LOANS. Sen. Williams charged FCA with <u>lobbying</u> activities in opposition to his amendment to limit loans to broiler producers (pp. 8476-8).

- 5. REA APPROPRIATIONS. Sen. Aiken stated that the 35 million additional for REA, as provided by the Douglas amendment, was unnecessary and claimed unfair tactics by the management of NRECA in this connection (pp. 8483-7).
- 6. VEHICLES; REPORTS; TAXATION. A subcommittee of the Government Operations Committee reported to the full Committee H. R. 8753, to authorize GSA motor vehicle pools, etc.; and H. R. 6290, to discontinue various requirements for reports to Congress, etc. The subcommittee deferred action until June 30 on S. 2473, providing for payments in lieu of taxes on Federal lands. (p. D739.)
- 7. FARM PROGRAM. Sen. Langer inserted a Farmers Union local resolution on various aspects of the farm program (pp. 8450-1).
- 8. RECESSED until Mon., June 28 (p. 8520). H. R. 8300, the tax revision bill, was made the unfinished business (p. 8520).

HOUSE

- 9. FARM PROGRAM. The Agriculture Committee reported (June 26) H. R. 9680, to provide for continued price support for agricultural products; to augment the marketing and disposal of such products; and to provide for greater stability in the products of agriculture (p. D740).
- 10. RETIREMENT. A subcommittee of the Post Office and Civil Service Committee approved for reporting to the full committee H. R. 7785, to make permanent the increases in regular annuities under the Civil Service Retirement Act, and extend such increases to additional annuities purchased by voluntary contributions (p. D741).
- 11. ELECTRIFICATION. A subcommittee of the Public Works Committee approved for reporting to the full committee H. R. 4541, authorizing the modification of the general plan for the comprehensive development of the Columbia River Basin to provide for additional hydroelectric power development (p. D741).
- 12. INTERIOR DEPARTMENT APPROPRIATION BILL, 1955. Conferees agreed to file a conference report (but did not actually file) on this bill, H. R. 8680 (p. D742).
- 13. PERSONNEL. The Ways and Means Committee approved for reporting (but did not actually report) a bill to extend Federal unemployment compensation benefits to additional workers. The "Daily Digest" states: "The bill, which is expected to be introduced and formally reported in the House next week, will now cover for the first time 2,500,000 Federal employees plus an additional 1,500,000 from private industry." (p. D741.)

BILLS APPROVED BY THE PRESIDENT

- 14. FORESTRY. S. 2225, relating to administrative jurisdiction over certain O&C land in Oreg. Provides for continued administration of the controverted lands by the Forest Service, with accounting of funds heretofore or hereafter received to be the same as for other O&C land receipts, and provides for consolidation of the checker-board administrative areas through exchanges of land by the Agriculture and Interior Departments. Approved June 24, 1954. (Public Law 426, 83rd Cong.)
- 15. INDEPENDENT OFFICES APPROPRIATION BILL, 1955. Approved June 24, 1955. (Public Law 428, 83rd Cong.)

State of Oklahoma, which was, on page 2, line 9, after "pool", insert "and such project shall be designed for an ultimate installed capacity of not less than 72,000 kilowatts: *Provided*, That the initial installation may have a smaller capacity."

Mr. MARTIN. Mr. President, I move that the Senate concur in the amendment of the House. I have discussed this subject with the majority leader, the minority leader, and the author of the bill, and they all approve.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Pennsylvania.

The motion was agreed to.

AMVETS MEMORIAL SCHOLARSHIPS

Mr. CARLSON. Mr. President, 2 weeks ago I, as well as 5 other Members of the Senate, had the pleasure of meeting the teen-agers who had won the nationwide competition for the 4-year \$2,000 memorial scholarships given by the AMVETS National Service Foundation. One of the six winners, Willard Childres II, is from Junction City, in my State; and he visited me during his stay in Washington. I very much enjoyed talking to this extremely intelligent and alert young man.

Willard lost his father during the first month of the fighting in Korea. Sfc. Willard Childres died shortly after going into battle against the Commu-

nists in July 1950.

The fathers of the other five youngsters are also dead. Four were killed while in the Armed Forces in World War II, and the fifth died after serving 3 years in the Navy. The families of these teen-agers have made the greatest sacrifice for their country and countrymen.

The AMVETS National Service Foundation, which is the welfare and charitable arm of the American Veterans of World War II and Korea, feels a distinct debt to these families. As a part of its services to veterans, war widows, and war orphans, it awards 6 of the \$2,000 grants each year. Called memorial scholarships, the grants commemorate the sacrifices of the men who fought for this country by helping their children.

The winners of these awards are chosen annually on the basis of, first, their ability to succeed in college, as shown by their secondary-school records and their grades on a national-aptitude examination, and, second, their financial need. All the contestants are the children of either deceased or permanently disabled veterans who served in the Armed Forces after September 16, 1940.

I believe this is a wonderfully practical way of remembering our war dead. I believe it is to the credit of the AMVETS National Service Foundation and its parent organization, the American Veterans of World War II and Korea, that 18 young men and women who will be in colleges throughout the country next September will have the financial burden of their studies greatly eased by these grants.

But equally wonderful was the action of this year's group of winners. The day

after their visit to Congress, they were received by the President at the White House. There they presented Mr. Eisenhower with a pledge that they would dedicate themselves to "the conquest of ignorance, hate, fear and selevery"

I understand that the President was visibly moved by their action. What was to have been a brief meeting, sandwiched in Mr. Eisenhower's busy schedule, became a very friendly 20-minute gathering. When the youngsters were leaving, the President told AMVETS National Commander Henry Mahady that he would interrupt a Cabinet meeting for such a demonstration of faith by American youth.

Mr. President, I should like to include that pledge with my remarks. It is truly an inspiring sign of devotion to the ideals of our Nation. So I ask unanimous consent that the pledge be printed at this point in the RECORD.

There being no objection, the pledge was ordered to be printed in the RECORD, as follows:

Mr. President, in recognition of the limitless opportunities opening before us, because of our inherited freedoms to think and choose; and aware that those liberties have survived only behind the valiant shield of sacrifice wrought by men such as our fathers; we pledge you that we will strive, through our education to further the conquest of ignorance, hate, fear and slavery; and we will endeavor to uphold our priceless heritage with high courage, determination and devotion.

To this, the great American ideal for which our fathers served, we dedicate ourselves.

AMVET MEMORIAL SCHOLARSHIP

AMVET MEMORIAL SCH WINNERS, 1954, HUGH K. BERKELEY. WILLARD CHILDRES II, JOHN D. EBERHARDT. MARY H. FORDYCE. VICTORIA HAYWARD, JUDITH MAXWELL.

DEPARTMENT OF DEFENSE APPROPRIATIONS—CONFERENCE REPORT

Mr. FERGUSON. I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 8873) making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes. I ask unanimous consent for the present consideration of the report.

The VICE PRESIDENT. The report will be read for the information of the Senate.

The legislative clerk read the report. (For conference report, see House proceedings of June 23, 1954, pp. 8309, 8310, CONGRESSIONAL RECORD.)

The VICE PRESIDENT. Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

Mr. WILLIAMS. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield.
Mr. WILLIAMS. What did the conferees do with the amendment regarding the awarding of contracts by competitive bidding?

Mr. FERGUSON. I read from the statement of the managers on the part of the House:

Amendment No. 34: Eliminates provision of the Senate concerning the basis for awarding contracts. The managers are agreed that contracts for procurement in the Department of Defense should not be used for the purpose of relieving economic dislocations as stated in section 733 of the bill. The managers feel that more specific language in the appropriation act may be confusing or impractical, particularly in view of Public Law 413 of the 80th Congress. The managers expect the Department of Defense to comply with basic law. If any changes are to made they should be made by amendment to Public Law 413.

Mr. WILLIAMS. Will the Senator be kind enough to explain what that means in practical operation? Will it bring about any change in the existing practice with regard to awarding contracts? I refer to the manner in which contracts have been awarded during the past few months.

Mr. FERGUSON. The 80th Congress enacted a law in relation to bids and the letting of contracts. We asked the Department to live up to that law. Let me read again from the statement of the managers on the part of the House:

The managers are agreed that contracts for procurement in the Department of Defense should not be used for the purpose of relieving economic dislocations as stated in section 733 of the bill.

There is also a section in the bill which provides that there shall be no price differential in such cases. It reads as follows:

Provided further, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations.

Mr. WILLIAMS. Under the language of the conference bill would the Secretary of Defense be within the law if he were to award a contract in the manner in which the contract was awarded in the case of the Quincy shipyard? The contract was awarded to the Quincy shipyard on a bid which was about \$8 million higher than the bid of the Bath shipyard. Would a repetition of such an occurrence be permitted under the language of the bill?

Mr. FERGUSON. I have not section 413 of the basic law before me, and I cannot tell the Senator. I assume that that contract complied with the law.

Mr. WILIAMS. I understood the Senator to say that the conferees struck out the amendment on the basis that existing law is adequate to prevent such a situation. I should like to ask the opinion of the Senator from Michigan. Does the law prohibit the awarding of a contract under such circumstances as have been described? As I have indicated, the contract was awarded to the Quincy shipyard at a price of \$6 million to \$8 million higher than the lowest responsible bid.

Mr. FERGUSON. I cannot assume that the conference committee struck out the Senate amendment with the idea that the specific contract to which the Senator refers was covered by the law, and would be prohibited. We tried to place language in the statement of the managers on the part of the House

which would make clear our intention. By the way, the House conferees are the only ones who submit a statement to accompany a conference report. However, the statement of the managers on the part of the House expressed also the view of the Senate conferees. The statement is:

The managers-

Meaning the conferees from both

are agreed that contracts for procurement in the Department of Defense should not be used for the purpose of relieving economic dislocations as stated in section 733 of the bill.

Mr. WILLIAMS. Assuming that the conference report is approved, and the bill is signed by the President, will the Secretary of Defense have authority to do what he did about 4 months ago?

Mr. FERGUSON. I cannot answer that question.

Mr. WILLIAMS. I think the question should be answered.

Mr. KNOWLAND. Mr. President, will the Senator yield?

Mr. FERGUSON. I yield.

Mr. KNOWLAND. In my opinion, there are two problems involved. The first is whether the action is contrary to law. The second is whether it involves a matter of sound public policy. The Senator from Michigan, who was chairman of the conference committee, I believe, has made it very clear that the language in the statement of the managers on the part of the House expresses the views of the conferees on the part of the Senate as well as the House con-However, I point out that the ferees. bill itself, as the Senator knows, provides that contracts may not be awarded on a differential basis for the purpose of relieving economic distress. In other words, this is not a relief-of-distress bill. This is a national-defense bill.

When we come to the next question which the Senator from Delaware raises, as to whether or not a contract could be awarded to a shipyard in the manner in which the contract was awarded in the specific example which the Senator cites, I think we must keep in mind that either shipbuilding facilities are important to the national defense or they are not. If they are important to the national defense it may well be that contracts will have to be awarded to certain areas of the country, rather than on a strictly low-bid basis. Otherwise, shipyards there might be closed down, and there might be a concentration of shipyard facilities in one area, and if the facilities in that area were destroyed by an atomic attack the country would be left with no shipyard facilities whatever.

Personally, I feel that, as a matter of public policy, the Defense Department should certainly scrutinize any such proposals with great care, and should not make awards except on the basis of the lowest responsible bid, unless the urgent defense needs of the country require different action. If we tie the hands of the Secretary of Defense so that he cannot make any contracts except on the basis of the lowest bid, we may destroy shipyard facilities in other sections of the country-on the Atlantic coast, the gulf, and the Pacific coast. In time of war we would not have the facilities which everyone testifies are necessary if we are to maintain ship-repair facilities for the Navy and for the merchant marine.

Mr. WILLIAMS. I appreciate what the Senator from California has said. Certainly, we are not trying unduly to tie the hands of the Secretary of Defense. I think we should make clear what we wish to do. There is no need of our criticizing the Secretary of Defense for awarding a contract at a cost of \$8 million to \$10 million higher than the lowest responsible bid if that is what we intend to have him do under the law. If we do not intend it, we should correct

Mr. KNOWLAND. I think the Senator is entirely correct in saying that at least the Congress ought to be advised, and if it is necessary to change the law, the basic law should be changed. But, as the Senator from Michigan has pointed out, we have a basic procurement act, which was enacted in the 80th Congress. That act lays down the basis upon which the armed services must make their procurements.

I would suggest to the Senator from Delaware that perhaps the proper procedure would be for him to examine that law and the list of exceptions written into the law. Perhaps those exceptions should be narrowed so that they will not be so broad as they are today.

The managers on the part of the House, despite the fact that the Senate conferees pointed out how strong the feeling was in the Senate on this subject, felt that the changes should be made by the proper legislative committee in the form of a separate bill dealing with the subject, instead of in an appropriation bill.

Mr. FERGUSON. That is correct.

Mr. WILLIAMS. For the past 2 years we have been trying to make some fundamental amendments to that law, under which the contract to which I have referred was let. It was not a case of merely trying to keep the establishment in operation, although there was some argument along that line, too, but the Quincy yard did not meet the low bid. The contract was awarded to the bidder who had made a bid \$8 million or \$9 million higher than the second lowest responsible bidder.

To offset criticism later, the construction of 2 or 3 additional destroyers was awarded to the former lower bidder at a price which was practically equal to the previous high bid.

Therefore, in awarding contracts. I believe we are running around in circles. It is our responsibility to correct the situation.

If we are to give consideration only to unemployment and to keeping factories in operation, let us say so. However, I cannot help remember the statement made by the Secretary of Defense. for whom I have great respect, that he is giving no consideration to the problem which the Senator from California referred to, namely, of keeping facilities in operation.

As as example, when he awarded the construction of tanks to one factory,

General Motors in Detroit, which is building all the tanks being produced in the country, he did so because General Motors was the lowest bidder. He said, 'From now on we are going to disregard the other factors."

However, a few weeks later we found that he had forgotten all about his statement in regard to the construction of tanks, and decided that our policy would be to keep factories operating because it is necessary to do so in order to relieve unemployment.

I want to know what we are going to do. If we are going to give consideration to the idea of keeping plants in operation and to unemployment in certain areas, even though it might cost more money, let us do it. Then each of us, as a representative of our State, will be boasting of unemployment and of our idle factories instead of boasting of the fact that we have no unemployment and no idle factories, and then perhaps we will exert a little pressure to get contracts for our areas. That was not intended under the bill. I think it is wrong.

Mr. FERGUSON. It is not the purpose of the bill I assure the Senator. It is wrong. We say so in no uncertain terms. We say that the differential in prices shall not be used for the purpose of relieving economic conditions, and then we say in the report that it shall not be used under any circumstances for that purpose.

However, there is a great difference, as the Senator from Michigan sees this situation, between a tank plant and a naval shipbuilding facility. I put in the RECORD a statement which I should like to repeat:

The use of negotiation is essential in certain procurements of naval vessels, particularly large combatant ships. This is true not only because of the unique and complex nature of shipbuilding, which often does not lend itself to the inflexible procedures of formal advertising, but also because of the current distressed condition of the ship-building industry. This industry, because of a dearth of commercial work, is largely dependent on the Navy's annual construction programs. The concentration of Navy work in a few yards or in a single geographical area must, therefore, be avoided. tional security requires a reasonably broad mobilization base of operating shipyards.

It may be said that the use of existing negotiation authority permits the equitable distribution of procurement contracts among the maximum number of suppliers and the avoidance of dangerous overconcentration; it promotes the integration of current procurement with our industrial mobilization which is a vital requirement of our mobilization readiness.

Mr. President, that is the way the committee feels about the present law.

I said I could not answer specifically the question the Senator from Delaware asked me as to whether the contract for a certain number of destroyers which had been let could now be let under the present law. I do not have all the facts before me. I do not know what the facts were in that case, and therefore I am not willing on the floor of the Senate to interpret the law.

Mr. WILLIAMS. Is there anything in the conference report which would

change the existing law whereby it would be possible to prevent such a situation

from arising?

Mr. FERGUSON. I would say not, except if there is anything in the existing act which permits the awarding of contracts in order to relieve economic distress, I would say that the Secretary of Defense and the Defense Department would be duty bound, though not legally bound, to respect the language in this report, that the letting of contracts should not be for the purpose of relieving economic distress.

Mr. WILLIAMS. Mr. President, if I understand the Senator's reply correctly. the conferees were unanimous in their agreement that it should not be done, and they were also unanimous in their agreement that they did not want to have passed a law which would prevent

someone from doing it.

Mr. FERGUSON. If the Senator means that a law should be passed which would express in words to the Defense Department, "You must let every contract on an advertised bid," and that Congress should enact a defense appropriation bill of more than \$40 billion for the procurement on the basis of bids of many articles which have never been made before, I will say that we did not feel, as conferees on the defense appropriation bill, that we could write language into the bill that would either put the Defense Department in a straitjacket or perhaps create a situation as wide open as a barn door.

Mr. WILLIAMS. Mr. President, will

the Senator yield further?

Mr. FERGUSON. I yield. Mr. WILLIAMS. I do not think that we should confuse the issue. There was no question about putting the Defense Department in a straitjacket. There was nothing contained in the amendment which provided that the Department had to award the construction only on competitive bids. It said only "in-sofar as practicable." The Secretary of Defense was allowed to determine what was practicable. It was stated many times the application was only to those cases as to which it had been previously determined that it was practicable to solicit competitive bids, but once the competitive bids were on the desk of the Secretary of Defense, and the bids were from responsible bidders-he should award the contract to the lowest bidder.

In the case which I described the Secretary of Defense advertised for bids. He solicited the bids. He determined in advance that the contract was to be awarded on a competitive bid basis. He had the lowest bid, which was \$8 million lower than the second highest bid, but he awarded the contract to the highest bidder. I did not tell him that it was practicable in that case to solicit bids. He determined that himself. Once having made that determination, he had the responsibility to recognize the lowest bidder. If not, why solicit bids in the

first place?

I am not going to oppose the conference report, because I know we must accept it. However, I want to register my protest against the practice which

has been pursued. Unless it is stopped it will permit the Secretary of Defense to invite openly a great deal of political pressure from all Members of Congress. who will urge him to recognize the problems of their own immediate areas with respect to idle plants and unemploy-ment. I believe he should lay down the rules of the game as he wishes to play it. and after he once lays down the rules he should be expected to apply them equally in all the 48 States.

Mr. FERGUSON. We tried to lay down a rule in no uncertain language that contracts should not be let for the purpose of relieving economic conditions. There is a reason for that. If we are going to relieve a situation by taking a contract away from a company in an area where there is full employment, or which does not have 7 percent unemployment, the question should be surveyed whether by preventing the award of a contract to that area unemployment might result there, when we were trying to relieve unemployment in another

Mr. KNOWLAND. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield. Mr. KNOWLAND. Mr. President, I wish to give assurances to the Senator from Delaware that the conferees devoted a considerable amount of time to this subject in the conference. The Senator from Michigan and other Senate conferees, including the Senator from California, who was a conferee, and, as the Senator from Delaware knows, participated in some of the debate on the floor, pointed out, as I recall, the discussion which had taken place in the Senate. in which the Senator from Arizona [Mr. GOLDWATER], I think, mentioned the particular case of a parachute contract which had been taken from a firm in Arizona which had had experience, and was transferred to a so-called distress area in the New England States, which in turn had the work done by a New York manufacturer who had not had any experience. In this instance, actual distress was caused in the Arizona area. So we alerted the full conference and gave to the House Members the background and very strong feeling of practically the entire Senate on this question.

I am convinced that both as a result of the discussion which took place a year ago on the floor of the Senate and the discussion and the criticisms raised on the floor this year regarding certain of these activities, the Defense Department and the executive branch of the Government are going to be very alert and alive to this problem, as well they may, and I think they should be in position to justify and to account to the Congress for any instance in which they depart from the practice of competitive bidding.

As the Senator from Delaware knows, in certain fields, involving the production of secret, highly classified weapons, we cannot, without disclosing facts to the enemy, send out a broadside of specifications. As the Senator knows, for certain new types of planes, concerning which there is no source of information as to what the costs may be, we cannot let

contracts by competitive bidding. I am sure the Senator indicated on the floor he fully understood that in certain fields competitive bidding would not be practicable

Mr. WILLIAMS. I pointed out on the floor exactly what the Senator from California has said, and that is the reason why the language "insofar as practicable" was inserted. The legislative background was very clear. We recognized those cases, but I felt, as I said before, that the Secretary of Defense should lay down a set of rules, which I do not think has been done in the past, and that set of rules should be applied across the board in all cases when it is practicable to solicit bids. He should not recognize unemployment in one area as a basic consideration. The Senator mentioned a case in Arizona. I know of similar cases. There seems to be a failure to realize that when a contract is awarded to a plant in an area of unemployment the same kind of condition may be created in the area which failed to obtain the contract. The bill is not a relief bill, and I think it should be impressed upon the Secretary of Defense that he is not running a relief organization, but is spending money to build up the defenses of the country. If he wants to run a relief organization, he should transfer his operations elsewhere.

Mr. FERGUSON. No one in the Defense Department has had in mind the operation of a relief agency under the defense program. I think that is clearly

shown by the evidence.

Mr. FLANDERS. Mr. President, will the Senator from Michigan yield?

Mr. FERGUSON. I yield. Mr. FLANDERS. Mr. President, I am very sorry, always, and it very seldom happens, when I have to disagree with the senior Senator from Delaware. He knows that I am nearly always in sympathy with him, and I think it is somewhat tragic to have to disagree with him.

There is in my mind not merely the question of placing orders in areas where unemployment has been growing and is high, but there is also the question of authorizing a Defense Department policy about which I have long been dubious, namely, the policy of concentrating orders for defense material in one company. It has not been the plan of the Defense Department management to have available secondary sources. think that is not a good policy. The best example of that which we have seen is the concentration of the purchase of tanks in the General Motors Corp. orders, under the principle enunciated by the Senator from Delaware, went to the General Motors Corp. because it was the lowest bidder. I still feel that in spite of that fact a part of those orders should have gone to another source of supply, and, as I see it, the Senator's amendment would have frozen a policy with which I am not in agreement.

Mr. WILLIAMS. Mr. President, will the Senator from Michigan yield further?

Mr. FERGUSON. 1 yield. Mr. WILLIAMS. I should like to say to the Senator from Vermont that he 10. A statement as to the extent of supervision and audit exercised by PHA over housing projects and local authorities.

Very truly yours,

HARRY F. BYRD,

Chairman.

FUNDS RECEIVED FROM GERMANY

Mr. BYRD. Mr. President, I ask unanimous consent to have printed in the body of the RECORD a letter dated June 22, 1954, addressed to me by Lyle S. Garlock, Acting Assistant Secretary of Defense, together with a statement of funds received from Germany.

There being no objection, the letter and statement were ordered to be printed in the Record, as follows:

Assistant Secretary of Defense,
Washington, D. C., June 22, 1954,
Hon. Harry F. Byrd,

United States Senate.

DEAR SENATOR BYRD: Attached for your information is the latest quarterly report on

deutschemark support received by agencies of the Department of Defense from the Federal Republic of Germany and the Berlin Magistrat. Obligations and expenditures are shown in dollar equivalents for the first 3 quarters of fiscal year 1954, and are arranged by comparable United States appropriation accounts.

Sincerely yours,

LYLE S. GARLOCK,
Acting Assistant Secretary of
Defense (Comptroller).

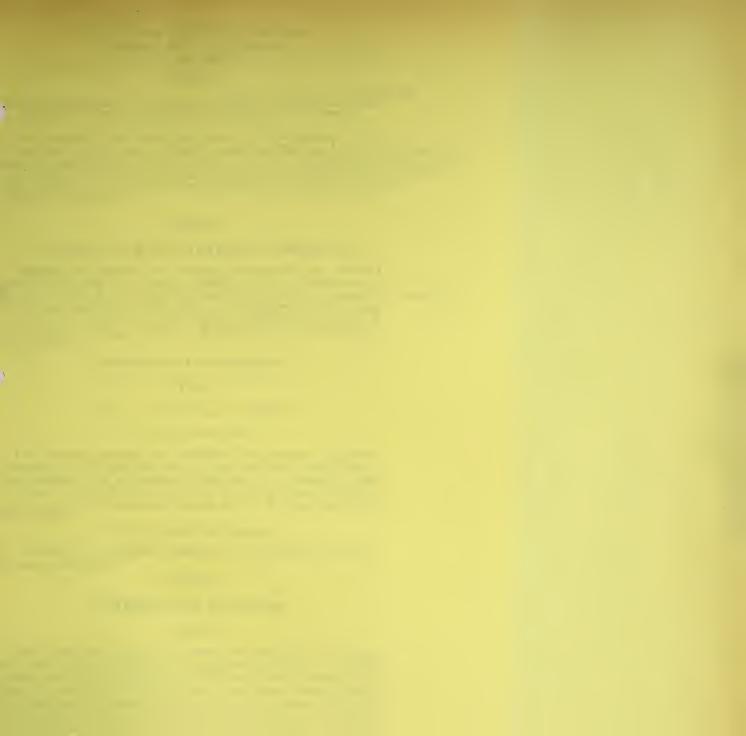
Department of Defense summary report on standard form 133 basis of the dollar equivalent of deutschemark support received from the Federal Republic of Germany and the Berlin Magis **r** 1t for occupation costs and mandatory expenditures based on allocations to the Department of Defense by the High Commissioner for Germany, fiscal year 1954, through Mar. 31, 1954

SECTION I-OBLIGATIONAL STATUS

Military department and comparable United States appropriation	Total amount available for ohligation	t Ohligations				Unohligated	Unpaid
account		1st quarter	2d quarter	3d quarter	Cumulative	balance Mar. 31, 1954	ohligations Mar. 31, 1954
Department of Defense: Federal Republic of Germany Berlin Magistrat	14, 286, 821	79, 971, 914	274, 519, 691 6, 350, 142	79, 400, 753 7, 297, 390	433, 892, 358 13, 647, 532	322, 142, 808 639, 289	285, 578, 914 8, 187, 956
Total, Department of Defense	770, 321, 987	79, 971, 914	280, 869, 833	86, 698, 143	447, 539, 890	322, 782, 097	293, 766, 870
Department of the Army: Federal Republic of Germany: Military personnel, Army Maintenance and operation, Army Procurement and production Military construction, Army Reserve personnel requirements, Army	247, 086, 000	310, 978 64, 591, 326 271, 305	2, 435, 980 100, 320, 393 369, 048 100, 329, 337 841	4, 170, 242 54, 476, 497 224, 725 10, 081, 510 92	6, 917, 200 219, 388, 216 593, 773 110, 682, 152 933	2, 385, 860 101, 093, 784 9, 775, 227 136, 403, 848 1, 067	4, 897, 665 92, 773, 405 693, 773 104, 562, 303 911
Reserve for settlement of claims Claims, Department of the Army Preparation for sale or salvage of military property Undistributed.	2,005,000	2, 491	1, 085, 232 3, 087	465, 772 3, 732	1, 551, 004 9, 310	453, 996 6, 690	302, 788 2, 381
Subtotal, Federal Republic of Germany	589, 262, 000	65, 176, 100	204, 543, 918	69, 422, 570	339, 142, 588	250, 119, 412	203, 133, 226
Berlin Magistrat: Military personnel, Army Maintenance and operation, Army Military construction, Army Reserve for settlement of claims Claims, Department of the Army	8, 317, 447 4, 523, 809		28, 527 4, 985, 803 945, 212	13, 729 3, 331, 133 3, 484, 542	42, 256 8, 316, 936 4, 429, 754	2, 944 511 94, 055	9, 173 3, 335, 500 4, 418, 913
			2, 835	9, 070	11, 905	128, 504	8,674
Subtotal, Department of the Army			5, 962, 377	6, 838, 474	12, 800, 851	226, 014	7, 772, 260
Total, Department of the Army	602, 288, 865	65, 176, 100	210, 506, 295	76, 261, 044	351, 943, 439	250, 346, 426	210, 905, 486
Department of the Navy: Federal Republic of Germany: Ships and facilities, Navy Navy industrial fund	6, 189, 192 859, 000	614, 797 212, 723	2, 420, 708 224, 132	1, 051, 495 162, 237	4, 087, 000 699, 092	2, 102, 192 259, 908	1, 883, 444 79, 780
Total, Department of the Navy.	7, 048, 192	827, 520	2, 644, 840	1, 213, 732	4, 686, 092	2, 362, 100	1, 963, 224
Department of the Air Force: Federal Republic of Germany: Major procurement other than aircraft. Acquisition and construction of real property. Maintenance and operation. Military personnel requirements. Claims. Contingencies.	60, 568, 200 88, 962, 000 1, 166, 756 150, 000	2, 640, 058 11, 156, 361 115, 816 56, 059	4, 143, 025 30, 4-9, 438 32, 418, 898 190, 834 123, 738	-63, 590 28, 102 8, 839, 105 124, 842 -164, 008	4, 079, 435 33, 117, 698 52, 414, 364 431, 492 20, 789	4, 383, 583 27, 450, 602 36, 547, 636 735, 264 129, 211 415, 000	3, 761, 471 45, 902, 049 30, 558, 769 219, 278 40, 897
Subtotal, Federal Republic of Germany	159, 724, 974	13, 968, 294	67, 330, 933	8, 764, 451	90, 063, 678	69, 661, 296	80, 482, 464
Berlin Magistrat: Acquisition and construction of real property	212, 370 1, 047, 586		387, 765	207, 771 251, 145	207, 771 638, 910	4, 599 408, 676	207, 771 207, 925
Maintenance and operation							
Suhtotal, Berlin Magistrat	1, 259, 956		387, 765	458, 916	846, 681	413, 275	415, 696

SECTION II-OBLIGATIONAL STATUS

Military Department and comparable United States appropriation account	Total amount	Expenditures				Unexpended
2 open cannot and comparable United States appropriation account		1st quarter	2d quarter	3d quarter	Cumulative	halance, Mar. 31, 1954
Department of Defense: Federal Republic of Germany Berlin Magistrat.	835, 089, 759 14, 391, 197	37, 935, 191	69, 916, 676 3, 346, 678	119, 622, 988 2, 217, 274	227, 474, 855 5, 563, 952	607, 614, 904 8, 827, 245
Total, Department of Defense	849, 480, 956	37, 935, 191	73, 263, 354	121, 840, 262	233, 038, 807	616, 442, 149
Department of the Army: Federal Republic of Germany: Military Personnel, Army. Maintenance and Operation, Army. Procurement and production. Military construction, Army. Reserve personnel requirements, Army. Reserve for settlement of claims. Claims. Department of the Army.	354, 512, 953 10, 369, 000 261, 821, 340 2, 000	117, 068 30, 294, 675	688, 241 51, 009, 204 1, 549, 864 4	2, 360, 623 79, 341, 885 19, 305, 325 18	3, 165, 932 160, 645, 764 20, 855, 189 22	7, 283, 465 193, 867, 189 10, 369, 000 240, 966, 161 1, 978
Claims, Department of the Army_ Preparation for sale or salvage of military property	2, 340, 936 16, 364	1, 526	953, 231 3, 040	630, 921 3, 727	1, 584, 152 8, 293	756, 784 8, 071
Subtotal, Federal Republic of Germany	639, 511, 990	30, 413, 269	54, 203, 584	101, 642, 499	186, 259, 352	453, 262, 638





Public Law 458 - 83d Congress Chapter 432 - 2d Session H. R. 8873

AN ACT

All 68 Stat. 337.

Making appropriations for the Department of Defense and related independent agency for the fiscal year ending June 30, 1955, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following Department of sums are appropriated, out of any money in the Treasury not other-Defense Approwise appropriated, for the fiscal year ending June 30, 1955, for miliportation administered by the Department of Defense, and for other purposes, namely:

TITLE I

NATIONAL SECURITY TRAINING COMMISSION

Salaries and expenses: For necessary expenses of the National Security Training Commission, including services as authorized by section 15 of the Act of August 2, 1946 (5 U. S. C. 55a), at rates for 60 Stat. 810. individuals not in excess of \$50 per diem and contracts with temporary or part-time employees may be renewed annually; and expenses of attendance at meetings concerned with the purposes of this appropriation; \$55,000.

DEPARTMENT OF DEFENSE

TITLE II

Office of the Secretary of Defense

SALARIES AND EXPENSES

For expenses necessary for the Office of the Secretary of Defense, including hire of passenger motor vehicles; and not to exceed \$60,000 for emergency and extraordinary expenses, to be expended under the direction of the Secretary of Defense for such purposes as he deems proper, and his determination thereon shall be final and conclusive; \$12,250,000.

OFFICE OF PUBLIC INFORMATION

For salaries and expenses necessary for the Office of Public Information, \$500,000.

TITLE III

INTERSERVICE ACTIVITIES

CLAIMS

For payment of claims by the Office of the Secretary of Defense, the Army (except as provided in appropriations for civil functions administered by the Department of the Army), Navy, Marine Corps, and Air Force, as authorized by law; claims (not to exceed \$1,000 in any one case) for damages to or loss of private property incident to the operation of Army and Air National Guard camps of instruction, either during the stay of units of said organizations at such camps or while en route thereto or therefrom; claims, as authorized by law, for damage to property of railroads under training contracts; and repayment of amounts determined by the Secretary of the Army, the Secretary of the Navy, or the Secretary of the Air Force, or officers designated by them, to have been erroneously collected from military

-2-

and civilian personnel of the Departments of the Army, Navy, and Air Force or from States, Territories, or the District of Columbia, or members of National Guard units thereof; \$7,680,000.

CONSTRUCTION OF SHIPS, MILITARY SEA TRANSPORTATION SERVICE

For expenses necessary for the construction, acquisition, or conversion of vessels, including armament therefor, for the Military Sea Transportation Service; designs for such vessels to be constructed or converted in the future; and plant equipment, appliances, and machine tools, and installation thereof in public or private plants; \$50,000,000, to remain available until expended and to be allocated to the Secretary of the Navy.

CONTINGENCIES

For emergencies and extraordinary expenses arising in the Department of Defense, to be expended on the approval or authority of the Secretary of Defense and such expenses may be accounted for solely on his certificate that the expenditures were necessary for confidential military purposes, \$40,000,000: Provided, That a report of disbursements under this item of appropriation shall be made quarterly to the Appropriations Committees of the Congress.

Report to Congressional Committees.

EMERGENCY FUND

For transfer by the Secretary of Defense, with the approval of the Bureau of the Budget, to any appropriation for military functions under the Department of Defense available for research and development, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation to which transferred, \$25,000,000.

RESERVE TOOLS AND FACILITIES

Amounts, not exceeding \$100,000,000, made available under this head for the fiscal year 1954 but not transferred to other appropriations during that year shall remain available for such transfer during the current fiscal year.

RETIRED PAY

For retired pay and retirement pay, as authorized by law, of military personnel on the retired lists of the Army, Navy, Marine Corps, and the Air Force, including the reserve components thereof; retainer pay for personnel of the inactive Fleet Reserve, and payments under the Uniformed Services Contingency Option Act of 1953; \$404,500,000.

67 Stat. 501. 37 USC 371 note.

COURT OF MILITARY APPEALS

For salaries and expenses necessary for the Court of Military Appeals, \$320,000.

TITLE IV

DEPARTMENT OF THE ARMY

MILITARY PERSONNEL

For pay, allowances, individual clothing, interest on deposits, and permanent change of station travel, for members of the Army on active duty (except those undergoing reserve training); expenses incident to movement of troop detachments, including rental of camp sites and procurement of utility and other services; expenses of appre-

hension and delivery of deserters, prisoners, and soldiers absent without leave, including payment of rewards (not to exceed \$25 in any one case), and costs of confinement of military prisoners in nonmilitary facilities; donations of not to exceed \$25 to each prisoner upon each release from confinement in an Army prison (other than a disciplinary barracks) and to each person discharged for fraudulent enlistment; authorized issues of articles to prisoners, other than those in disciplinary barracks; subsistence of enlisted personnel, selective service registrants called for induction and applicants for enlistment while held under observation, and prisoners (except those at disciplinary barracks), or reimbursement therefor while such personnel are sick in hospitals; and subsistence of supernumeraries necessitated by emergent military circumstances; \$4,150,479,000: Provided, That section 212 of the Act of June 30, 1932 (5 U.S. C. 59a), shall not apply 47 Stat. 406. to retired military personnel on duty at the United States Soldiers' Home: Provided further, That the duties of the librarian at the United States Military Academy may be performed by a retired officer detailed on active duty.

MAINTENANCE AND OPERATIONS

For expenses, not otherwise provided for, necessary for the maintenance and operation of the Army, including administration and rentals at the seat of government; medical and dental care of personnel entitled thereto by law or regulation (including charges of private facilities for care of military personnel on duty or leave, except elective private treatment), and other measures necessary to protect the health of the Army; disposition of remains, including those of all Army personnel who die while on active duty; chaplains' activities; awards and medals; welfare and recreation; information and educational services for the Armed Forces; recruiting expenses; subsistence of prisoners at disciplinary barracks, and of civilian employees as authorized by law; expenses of apprehension and delivery of prisoners escaped from disciplinary barracks, including payment of rewards not exceeding \$25 in any one case, and expenses of confinement of such prisoners in nonmilitary facilities; donations of not to exceed \$25 to each prisoner upon each release from confinement in a disciplinary barracks; military courts, boards, and commissions; authorized issues of articles for use of applicants for enlistment and persons in military custody; civilian clothing, not to exceed \$30 in cost, to be issued each person upon each release from confinement in an Army prison and to each soldier discharged otherwise than honorably, or sentenced by a civil court to confinement in a civil prison, or interned or discharged as an alien enemy; transportation services; communications services, including construction of communication systems; maps and similar data for military purposes; military surveys and engineering planning; alteration, extension, and repair of structures and property; acquisition of lands (not exceeding \$5,000 for any one parcel), easements, rights-of-way, and similar interests in land, and, in administering the provisions of 43 U. S. C. 315q, rentals may be paid in 56 Stat. 654. advance; utility services for buildings erected at private cost, as authorized by law (10 U. S. C. 1346), and buildings on military 32 Stat. 282. reservations authorized by Army regulations to be used for a similar purpose; purchase of ambulances; hire of passenger motor vehicles; tuition and fees incident to training of military personnel at civilian institutions; field exercises and maneuvers, including payments in advance for rentals or options to rent land; expenses for the Reserve ROTC. Officers' Training Corps and other units at educational institutions, as authorized by law; exchange fees, and losses in the accounts of

60 Stat. 858.

disbursing officers or agents in accordance with law; expenses of inter-American cooperation, as authorized for the Navy by law (5 U.S. C. 421f) for Latin-American cooperation; not to exceed \$4,396,400 for emergencies and extraordinary expenses, to be expended on the approval or authority of the Secretary of the Army, and payments may be made on his certificate of necessity for confidential military purposes, and his determination shall be final and conclusive upon the accounting officers of the Government; \$2,795,722,986.

MILITARY CONSTRUCTION, ARMY RESERVE FORCES

10 USC 1339; 40 USC 259, 267.

33 USC 733.

50 USC 883. Transfer of funds.

For construction, acquisition, expansion, rehabilitation and conversion of facilities for the training and administration of the reserve components, including contributions therefor, as authorized by the 50 USC 881 note. Act of September 11, 1950 (64 Stat. 829), without regard to sections 1136 and 3734, Revised Statutes, as amended, and land and interests therein may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended; and hire of passenger motor vehicles; \$15,000,000, to remain available until expended, of which \$1,000,000 shall be available for the construction of buildings and facilities other than armories without regard to the 75 per centum restriction on contributions contained in section 4 (d) of the Act of September 11, 1950: Provided, That not to exceed \$18,000,000 may be transferred to this appropriation from the appropriation "Procurement and Production, Army" for National Guard armory and nonarmory construction in accordance with the Act of September 11, 1950, when such transfers are determined by the Secretary of Defense to be in the national interest: Provided further, That such portion of the amount so transferred as may be applied to the construction of buildings and facilities other than armories shall be without regard to the 75 per centum restriction on contributions contained in section 4 (d) of the Act of September 11, 1950.

RESERVE PERSONNEL REQUIREMENTS

For pay, allowances, clothing, subsistence, transportation, travel and related expenses, as authorized by law, for personnel of the Army Reserve while on active duty undergoing Reserve training or while performing drills or equivalent duty, and for members of the Reserve Officers' Training Corps; subsistence for members of the Army Reserve for drills of eight or more hours duration in any one calendar, day; \$90,000,000.

ARMY NATIONAL GUARD

For pay, allowances, clothing, subsistence, transportation, and travel, as authorized by law, for personnel of the Army National Guard while undergoing training or while performing drills or equivalent duties; expenses of training, organizing and administering the Army National Guard, including maintenance, operation, and alterations to structures and facilities; hire of passenger motor vehicles; personal services in the National Guard Bureau and services of personnel of the National Guard employed as civilians without regard to their military rank, and the number of caretakers authorized to be employed under provisions of law (32 U.S. C. 42) may be such as is deemed necessary by the Secretary of the Army; subsistence for officers attending drills of eight or more hours duration in any one calendar day; travel expenses (other than mileage), as authorized by law for Army personnel on active duty, for Army National Guard division, regimental, and battalion commanders while inspecting units in com-

54 Stat. 1134.

68 Stat. 340. 68 Stat. 341.

All 68 Stat. 341.

pliance with National Guard regulations when specifically authorized by the Chief, National Guard Bureau; supplying and equipping the Army National Guard of the several States, Territories, and the District of Columbia, as authorized by law; and expenses of repair, modification, maintenance, and issue of supplies and equipment (including aircraft); \$218,530,000: Provided, That in addition, the Secretary of the Army may transfer not to exceed \$25,000,000 to this appropriation from the appropriation "Procurement and Production, Army": Provided further, That obligations may be incurred under this appropriation for installation, maintenance, and operation of facilities for antiaircraft defense without regard to section 67 of the National Defense Act.

RESEARCH AND DEVELOPMENT

39 Stat. 199. 32 USC 21, 22,

For expenses necessary for basic and applied scientific research and development, including maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, \$345,000,000, to remain available until expended.

NATIONAL BOARD FOR THE PROMOTION OF RIFLE PRACTICE, ARMY

For necessary expenses of construction, equipment and maintenance of rifle ranges, the instruction of citizens in marksmanship, and promotion of rifle practice, in accordance with law, including travel of rifle teams, military personnel, and individuals attending regional, national, and international competitions, and not to exceed \$18,000 for incidental expenses of the National Board, \$100,000: Provided, Travel expenses. That travel expenses of civilian members of the National Board shall be paid in accordance with the Standardized Government Travel Regulations, as amended.

ALASKA COMMUNICATION SYSTEM

OPERATION AND MAINTENANCE

For expenses necessary for the operation, maintenance, and improvement of the Alaska Communication System, including purchase (not to exceed two for replacement only) and hire of passenger motor vehicles, \$4,235,000, to remain available until the close of the fiscal year 1956, and, in addition, not to exceed 15 per centum of the current fiscal year receipts of the Alaska Communication System may be merged with and used for the purposes of this appropriation.

REDUCTIONS IN APPROPRIATIONS

PROCUREMENT AND PRODUCTION

The sum of \$500,000,000 of funds heretofore appropriated under this head is hereby rescinded, such sum to be covered into the Treasury immediately upon approval of this Act.

ARMY STOCK FUND

The amount available in the Army Stock Fund is hereby reduced by \$300,000,000, such sum to be covered into the Treasury immediately upon approval of this Act.

TITLE V

DEPARTMENT OF THE NAVY

MILITARY PERSONNEL, NAVY

For pay, allowances, subsistence, interest on deposits, gratuities, clothing, permanent change of station travel (including expenses of temporary duty between permanent duty stations), training duty travel of midshipmen paid hereunder, and transportation of dependents, household effects, and privately owned automobiles, as authorized by law, for regular and reserve personnel on active duty (except those on active duty while undergoing reserve training), midshipmen at the Naval Academy, and aviation cadets, \$2,417,000,000.

MILITARY PERSONNEL, NAVAL RESERVE

For pay, allowances, clothing, subsistence, gratuities, and travel, as authorized by law, for personnel of the Naval Reserve on active duty while undergoing reserve training, or while performing drills or equivalent duty, regular and contract enrollees in the Naval Reserve Officers' Training Corps, and retainer pay authorized by the Act of 60 Stat. 1060. August 13, 1946 (34 U.S. C. 1020h), \$78,100,000.

NAVY PERSONNEL, GENERAL EXPENSES

For expenses necessary for general training, education and administration of regular and reserve personnel, including tuition, cash book allowances of not to exceed \$50 for each Naval Aviation College program student, and other costs incurred at civilian schools, general training aids and devices, procurement of military personnel, and authorized annuity premiums and retirement benefits for civilian members of teaching staffs; maintenance and operation of Navy training and personnel facilities, including the Naval Academy, Naval Postgraduate School, Naval War College, Naval Home, Navy training schools and facilities, disciplinary barracks, and retraining commands; rent; hire of motor vehicles; not to exceed \$30 per person for civilian clothing, including an overcoat when necessary, for enlisted personnel discharged otherwise than honorably; welfare and recreation; medals and other awards; and departmental salaries; \$75,030,000.

MILITARY PERSONNEL, MARINE CORPS

For pay, allowances, subsistence, interest on deposits, gratuities, clothing, permanent change of station travel (including expenses of temporary duty between permanent duty stations), and transportation of dependents, household effects, and privately owned automobiles, as authorized by law, for regular and reserve personnel on active duty (except those on active duty while undergoing reserve training), \$612,180,600.

MILITARY PERSONNEL, MARINE CORPS RESERVE

For pay, allowances, clothing, subsistence, gratuities, and travel, as authorized by law, for personnel of the Marine Corps Reserve and the Marine Corps platoon leaders class on active duty while undergoing reserve training, or while performing drills or equivalent duty, \$16,750,000.

MARINE CORPS TROOPS AND FACILITIES

For necessary expenses of troops and facilities of the Marine Corps not otherwise provided for, including maintenance and operation of equipment and facilities, and procurement of military personnel; training and education of regular and reserve personnel, including tuition and other costs incurred at civilian schools; welfare and recreation; not to exceed \$30 per person for civilian clothing, including an overcoat when necessary, for enlisted personnel discharged otherwise than honorably; procurement and manufacture of military supplies, equipment and clothing; hire of passenger motor vehicles; transportation of things; industrial mobilization; rent; medals, awards, emblems and other insignia; care of the dead; and departmental salaries; \$167,994,500.

MARINE CORPS PROCUREMENT

For expenses necessary for the procurement, manufacture, and modification of armament, ammunition, military equipment and velicles for the Marine Corps, including purchase of passenger motor vehicles; \$129,974,000, to remain available until expended.

AIRCRAFT AND FACILITIES

For expenses necessary for maintenance, operation, and modification of aircraft; maintenance, operation, and lease of air stations and facilities, testing laboratories, fleet and other aviation activities; procurement of services, supplies, special clothing, tools, materials, and equipment, including rescue boats; industrial mobilization; aerological services, supplies, and equipment for the Navy and Marine Corps; and departmental salaries; \$780,895,500.

AIRCRAFT AND RELATED PROCUREMENT

For construction, procurement, and modernization of aircraft and equipment, including ordnance, spare parts, and accessories therefor; expansion of public and not to exceed \$10,000,000 for expansion of private plants, including the land necessary therefor, without regard to section 3734, Revised Statutes, as amended, and such land, and 40 USC 259, interests therein, may be acquired and construction prosecuted there- 267. on prior to approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; procurement and installa- 33 USC 733 tion of equipment in public or private plants; and departmental salaries necessary for the purposes of this appropriation, to remain available until expended; \$1,973,568,000: Provided, That \$700,000 of the foregoing amount shall be transferred to the appropriation "Salaries and expenses, Weather Bureau, Department of Commerce", fiscal year 1955.

SHIPS AND FACILITIES

For expenses necessary for design, maintenance, operation, and alteration of vessels; maintenance and operation of facilities; procurement of plant equipment, appliances, and machine tools, and installation thereof in public or private plants; procurement of equipment, supplies, special clothing and services; installation, maintenance, and removal of ships' ordnance; lease of facilities and docks; charter and hire of vessels; relief of vessels in distress; maritime salvage services; industrial mobilization; and departmental salaries; \$818,681,000, of which \$15,675,000_shall be transferred to the appropriation "Coast Guard Operating Expenses, 1955" for the operation of ocean stations.

Construction of Ships

For an additional amount for "Construction of Ships", \$57,600,000, to remain available until expended: *Provided*, That the total of obligations incurred under this head for construction, conversion, or replacement, approved after July 17, 1947, shall not exceed \$1,251,861,000.

SHIPBUILDING AND CONVERSION

For expenses necessary for the construction, acquisition, or conversion of vessels as authorized by law, including armor and armament therefor, plant equipment, appliances, and machine tools, and installation thereof in public or private plants; designs for vessels to be constructed or converted in the future; and departmental salaries necessary for the purposes of this appropriation; \$1,042,400,000, to remain available until expended: Provided. That the total of obligations incurred under the heads "Shipbuilding and conversion" and "Ordnance for shipbuilding and conversion", including those incurred against reimbursements credited to these appropriations pursuant to section 403 (b) of the Mutual Defense Assistance Act of 1949, as amended (22 U. S. C. 1574 (b)), shall not exceed \$4,370,504,000.

63 Stat. 717.

ORDNANCE AND FACILITIES

For expenses necessary for the production and procurement of Navy ordnance and ammunition (except ordnance for new aircraft, new ships, and ships authorized for conversion); alteration, preservation, and handling of ordnance and ammunition; maintenance of ordnance (except installation, maintenance, and removal of ships' ordnance, and line maintenance of ordnance installed in aircraft); maintenance and operation of ordnance facilities; procurement of equipment, supplies, special clothing and services; procurement of plant equipment, appliances, and machine tools, and installation thereof in naval or private plants; lease of facilities; industrial mobilization; and departmental salaries; \$457,436,000.

Ordnance for New Construction (Liquidation of Contract Authorization)

For liquidation of obligations incurred pursuant to authority heretofore granted under this head, \$34,000,000, to remain available until expended: *Provided*, That this amount may be disbursed through the appropriation "Ordnance for New Construction, Navy".

MEDICAL CARE

For expenses necessary for maintenance and operation of naval hospitals, medical centers, clinics, schools, and other medical activities; technical medical support of the supply system and other naval activities; procurement of ambulances, medical and dental supplies, equipment and services; rent; instruction of medical personnel in naval hospitals, naval schools, and civilian schools; industrial mobilization; care of the dead; and departmental salaries; \$63,600,000.

CIVIL ENGINEERING

For expenses necessary for maintenance and operation of district public works offices, public works centers, construction battalion centers, defense housing projects, other civil engineering facilities, and shore activities not otherwise provided for; procurement of services, supplies, and equipment for the foregoing activities; purchase and -9-

hire of passenger motor vehicles; engineering services; industrial mobilization; and departmental salaries; \$104,294,000.

MILITARY CONSTRUCTION, NAVAL RESERVE FORCES

For construction, acquisition, expansion, rehabilitation and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps, including contributions therefor, as authorized by the Act of September 11, 1950 (64 Stat. 50 USC 881 note. 829), without regard to section 3734, Revised Statutes, as amended, and 40 USC 259, 267. land and interests therein may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; \$15,000,000, 33 USC 733 and to remain available until expended.

FACILITIES

For expenses necessary for acquisition, construction, and installation of production facilities and equipment, and test facilities and equipment (other than those for research and development), including the land necessary therefor, without regard to section 3734, Revised Statutes, as amended, and such land, and interests therein, may be 40 USC 259, 267. acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended, such amounts as may be determined by the Sec- 33 USC 733 and retary of the Navy, and approved by the Secretary of Defense and the note. Bureau of the Budget, and said amounts shall be derived by transfer from any appropriations available to the Department of the Navy, during the current fiscal year for procurement of equipment for installation or use in private plants: Provided, That the total amount so transferred shall not exceed \$25,000,000.

RESEARCH AND DEVELOPMENT

For expenses necessary for basic and applied scientific research and development, including maintenance, rehabilitation, lease, and operation of facilities and equipment, as authorized by law, \$419,874,900, Transfer of to remain available until expended: Provided, That the unexpended funds. balances appropriated for research and development under the heads "Naval Personnel, General Expenses", "Marine Corps, Troops and Facilities", "Aircraft and Facilities", "Ships and Facilities", "Ordnance and Facilities", "Medical Care", "Civil Engineering", "Servicewide Supply and Finance, Navy" for the fiscal years 1953 and 1954 and the unexpended balance of appropriations under the head "Research" are hereby transferred to and merged with this appropriation, in such amounts as may be recommended by the Secretary of Defense and approved by the Director of the Bureau of the Budget, except that the total unobligated portions of such balances so transferred and merged shall not exceed \$8,703,100.

SERVICE-WIDE SUPPLY AND FINANCE

For expenses necessary for maintenance and operation of service-wide supply and finance activities, including supply depots and centers, area provision supply and purchasing offices, supply demand control points, fleet fueling facilities, overseas air cargo terminals, regional accounting and disbursing offices, the material catalog office, and other service-wide supply and finance facilities, as designated by the Secretary; procurement of supplies, services, special clothing, and equipment; rent, intra-Navy transportation of things; transportation of household effects of civilian employees; industrial All 68 Stat. 346.

mobilization; losses in exchange and in the accounts of disbursing officers, as authorized by law; and departmental salaries; \$340,300,000.

SERVICE-WIDE OPERATIONS

For expenses necessary for maintenance and operation of the Naval Observatory, the Hydrographic Office, Service-wide Communications, Naval Records Centers, Naval District Headquarters (except training officers), River Commands, the cost inspection service, and other service-wide operations and functions not otherwise provided for; procurement of supplies, services and equipment for activities financed hereunder; Latin-American cooperation; not to exceed \$8,405,000 for emergencies and extraordinary expenses as authorized by section 6 of the Act of August 2, 1946 (5 U. S. C. 419c), to be expended on the approval and authority of the Secretary, and his determination shall be final and conclusive upon the accounting officers of the Government; and departmental salaries; \$104,570,000.

60 Stat. 853.

NAVAL PETROLEUM RESERVES

For expenses necessary for exploration, prospecting, conservation development, use, and operation of the naval petroleum reserves, as authorized by law, \$3,575,000.

REDUCTIONS IN APPROPRIATIONS

NAVY STOCK FUND

The amount available in the Navy Stock Fund is hereby reduced by \$200,000,000, such sum to be covered into the Treasury immediately upon approval of this Act.

MARINE CORPS STOCK FUND

The amount available in the Marine Corps Stock Fund is hereby reduced by \$25,000,000, such sum to be covered into the Treasury immediately upon approval of this Act.

TITLE VI

DEPARTMENT OF THE AIR FORCE

AIRCRAFT AND RELATED PROCUREMENT

For construction, procurement, and modification of aircraft and equipment, armor and armament, spare parts and accessories therefor; specialized equipment; expansion of public and private plants, Government-owned equipment and installation thereof in such plants, erection of structures, and acquisition of land without regard to section 1136, Revised Statutes, as amended, for the foregoing and other purposes, and such land, and interests therein, may be acquired and construction prosecuted thereon prior to the approval of title by the Attorney General as required by section 355, Revised Statutes, as amended; industrial mobilization, including maintenance of reserve plants and equipment and procurement planning; and other expenses necessary for the foregoing purposes, including rents and transportation of things; \$2,760,000,000, to remain available until expended.

10 USC 1339.

33 USC 733 and note.

Major Procurement Other Than Aircraft

For procurement of supplies, materials, and equipment, and spare parts therefor, not otherwise provided for; electronic and communication equipment; and the purchase of passenger motor vehicles; \$674,364,000, to remain available until expended.

RESEARCH AND DEVELOPMENT

For expenses necessary for basic and applied scientific research and development, including maintenance, rehabilitation, lease and operation of facilities and equipment, as authorized by law, \$418,070,000, to remain available until expended.

MAINTENANCE AND OPERATIONS

For expenses necessary for the maintenance, operation, and administration of the activities of the Air Force, including the Air Force Reserve and the Air Reserve Officers' Training Corps; maintenance, operation, and modification of aircraft; transportation of things; rents at the seat of government and elsewhere, and in administering the provisions of 43 U.S. C. 315q payments of rents may be made in 56 Stat. 654. advance; repair of facilities; field printing plants; procurement of ambulances; hire of passenger motor vehicles; recruiting advertising expenses; training and instruction of military personnel of the Air Force, including tuition and related expenses; pay, allowances, and travel expenses of contract surgeons; utility services for buildings erected at private cost as authorized by law (10 U. S. C. 1346), and 32 Stat. 282. buildings on military reservations authorized by Air Force regula-tions to be used for welfare and recreational purposes; rental of land or purchase of options to rent land without reference to section 3648, Revised Statutes, as amended, use or repair of private property, 31 USC 529. and other necessary expenses of combat maneuvers; organizational clothing and equipage; civilian clothing not to exceed \$30 in cost for each person upon each release from a military prison, each enlisted man discharged other than honorably, each enlisted man sentenced by a civil court to confinement in a civil prison, and each enlisted man interned, or discharged without internment as an alien enemy; authorized issues of articles for use of applicants for enlistment and persons in military custody; payment of exchange fees and exchange losses incurred by Air Force disbursing officers or their agents; losses in the accounts of Air Force disbursing officers as authorized by law (31 U. S. C. 95a; 50 U. S. C. 1705-1707); burial of the dead as authorized 58 Stat. 800, 921, by law (10 U. S. C. 916-916d; 5 U. S. C. 103a), including remains of 50 USC app. 1705personnel of the Air Force of the United States who die while on active 1707. duty, travel allowances of attendants accompanying remains, and 52 Stat. 398; 54 acquisition by lease or otherwise of temporary burial sites; chaplain Stat. 743. and other welfare and morale supplies and equipment; conduct of schoolrooms, service clubs, chapels, and other instructional, entertainment, and welfare expenses for enlisted men and patients not otherwise provided for; awards and decorations; expenses of courts, boards and commissions; expenses for inter-American cooperation as authorized for the Navy by the Act of August 2, 1946 (5 U. S. C. 421f), for 60 Stat. 858. Latin-American cooperation; and special services by contract or otherwise; \$3,502,792,000.

MILITARY PERSONNEL

39 Stat. 167. 10 USC 38. 66 Stat. 496. For pay, allowances, clothing, subsistence, transportation, interest on deposits of enlisted personnel, and travel in kind for cadets and permanent change of station travel for all other personnel of the Air Force of the United States on active duty including duty under section 5, National Defense Act, as amended, or section 252 of the Armed Forces Reserve Act of 1952 (50 U.S. C. 1003) (other than personnel of the reserve components, including the Air National Guard, on active duty while undergoing reserve training), including commutation of quarters, subsistence supplies for issue as rations to enlisted personnel, and clothing allowances, as authorized by law; and, in connection with personnel paid from this appropriation, for rental of camp sites and local procurement of utility services and other necessary expenses incident to individual or troop movements (including packing and unpacking and transportation of organizational equipment); ice, meals for recruiting parties, monetary allowances for liquid coffee for troops when supplied cooked or travel rations, and commutation of rations, as authorized by law, to enlisted personnel, including those sick in hospitals; transportation, as authorized by law, of dependents, baggage, and household effects of personnel paid from this appropriation; rations for applicants for enlistment, prisoners of war, and general prisoners; subsistence supplies for resale, as authorized by law; commutation of rations, as authorized by regulations, to applicants for enlistment, and general prisoners, while sick in hospitals; subsistence of supernumeraries necessitated by emergent military circumstances; expenses of apprehension and delivery of deserters, prisoners, and members of the Air Force absent without leave, including payment of rewards (not to exceed \$25 in any one case); confinement of military prisoners in nonmilitary facilities; and donations of not to exceed \$25 to each civilian prisoner upon each release from a military prison, to each enlisted man discharged otherwise than honorably upon each release from confinement under court-martial sentence, and to each person discharged for fraudulent enlistment; \$3,356,704,000.

RESERVE PERSONNEL

For pay, allowances, clothing, subsistence, and travel for personnel of the Air Force Reserve and the Air Reserve Officers' Training Corps, while on active duty undergoing reserve training or while performing drills or equivalent duty, as authorized by law; and the procurement and issue of uniforms to institutions necessary for the training of the Air Reserve Officers' Training Corps, as authorized by law; \$28,000,000: Provided, That in addition, the Secretary of the Air Force may transfer not to exceed \$5,000,000 to this appropriation from any appropriation available to the Department of the Air Force which is limited for obligation to fiscal year 1955.

AIR NATIONAL GUARD

For pay, allowances, clothing, subsistence, transportation (including mileage, actual and necessary expenses, or per diem in lieu thereof), medical and hospital treatment and related expenses, for members of the Air National Guard while undergoing Reserve training or while performing drills or equivalent duty, as authorized by law; travel expenses (other than mileage) on the same basis as authorized by law for Air National Guard personnel on active Federal duty, of Air National Guard commanders while inspecting units in compliance with National Guard regulations when specifically authorized by the Chief,

National Guard Bureau; establishment, maintenance, operation, repair, and other necessary expenses of facilities for the training and administration of the Air National Guard, including construction of facilities, and additions, extensions, alterations, improvements, and rehabilitation of existing facilities, as authorized by the Act of September 11, 1950 (Public Law 783); maintenance, operation, and modification of aircraft; transportation of things; purchase and hire of 50 USC 881 note. passenger motor vehicles; procurement and issue to the Air National Supplies, etc. Guard of the several States, Territories, and the District of Columbia of supplies, materials, and equipment, as authorized by law; and expenses incident to the maintenance and use of supplies, materials, and equipment, including such as may be furnished from stocks under the control of agencies of the Department of Defense; \$160,000,000: Provided, That in addition, the Secretary of the Air Force may transfer not to exceed \$9,000,000 to this appropriation from any appropriation available to the Department of the Air Force which is limited for obligation to fiscal year 1955: Provided further, That the number of caretakers authorized to be employed under the provisions of law (32 U. S. C. 42) may be such as is deemed necessary by the Secretary 39 Stat. 205. of the Air Force.

54 Stat. 1134.

Contingencies

For emergencies and military expenses, to be expended on the authority or approval of the Secretary of the Air Force, and such expenses may be accounted for solely on his certificate, \$28,000,000.

REDUCTION IN APPROPRIATION

AIR FORCE STOCK FUND

The amount available in the Air Force Stock Fund is hereby reduced by \$25,000,000, such sum to be covered into the Treasury immediately upon approval of this Act.

TITLE VII

GENERAL PROVISIONS

SEC. 701. During the current fiscal year, the Secretary of Defense Experts or and the Secretaries of the Air Force, Army, and Navy, respectively, consultants. if they should deem it advantageous to the national defense, and if in their opinions, the existing facilities of the Department of Defense are inadequate, are authorized to procure services in accordance with lection 15 of the Act of August 2, 1946 (5 U.S. C. 55a), but at rates 60 Stat. 810. for individuals not in excess of \$50 per day, and to pay in connection therewith travel expenses of individuals, including actual transportation and per diem in lieu of subsistence while traveling from their homes or places of business to official duty station and return as may be authorized by law: Provided, That such contracts may be renewed annually.

SEC. 702. Section 3648, Revised Statutes, shall not apply in the case Advance of of payments made from appropriations contained in this Act, (1) to public payments made in compliance with the laws of foreign countries or moneys. their ministerial regulations, (2) to payments for rent in such coun- 31 USC 529. tries for such periods as may be necessary to accord with local custom,

or (3) to payments made for tuition.

Sec. 703. During the current fiscal year, provisions of law pro-Noncitizens. hibiting the payment of compensation to, or employment of, any person not a citizen of the United States shall not apply to personnel of the Department of Defense.

-14-

Detailed personnel.

Sec. 704. Such military and naval personnel as may be detailed for duty with agencies not a part of the Department of Defense on a reimbursement basis may be employed in addition to the numbers otherwise authorized and appropriated for.

Sec. 705. Appropriations contained in this Act shall be available

Availability of appropriations.

for insurance of official motor vehicles in foreign countries, when required by laws of such countries; payments in advance of expenses determined by the investigating officer to be necessary and in accord with local custom for conducting investigations in foreign countries incident to matters relating to the activities of the department concerued; reimbursement of General Services Administration for security guard services for protection of confidential files; and all necessary expenses, at the seat of government of the United States of America or elsewhere, in connection with (1) instruction and training, including tuition, specifically approved by the Secretary of the Department concerned and not otherwise provided for, of civilian employees, and (2) communication and other services and supplies as may be necessary to carry out the purposes of this Act: Provided, That no appropriation contained in this Act, and no funds available from prior appropriations to component departments and agencies of the Depart, ment of Defense, shall be used to pay tuition or to make other pay ments to educational institutions in connection with the instruction or

Tuition payments, eto., restriction.

63 Stat. 954. 5 USC 1071 note.

Prisoners of war, etc.

Minor construction.

Cost limitation.

Emergenoy expenses.

amended. Sec. 706. Any appropriation available to the Air Force, Army, or the Navy may, under such regulations as the Secretary concerned may prescribe, be used for expenses incident to the maintenance, pay, and allowances of prisoners of war, other persons in Air Force, Army, or Navy custody whose status is determined by the Secretary concerned to be similar to prisoners of war, and persons detained in such custody

training of file clerks, stenographers, and typists receiving, or prospective file clerks, stenographers, and typists who will receive compensation at a rate below the minimum rate of pay for positions

allocated to grade GS-5 under the Classification Act of 1949, as

pursuant to Presidential proclamation. SEC. 707. Appropriations available to the Department of Defense

for the current fiscal year for construction or maintenance shall be available for minor construction (except family quarters), conversion of and extensions to existing structures, and improvements, at facilities of the Department concerned, but the cost of any project authorized under this section which is not otherwise authorized shall not exceed the following cost limitations, but only one allotment shall be made for any one project or unit: (a) any such project determined by the Secretary of Defense to be urgently required in the interests of national defense, \$200,000; (b) any such project determined by the Secretary of the Department concerned to be urgently required in the interests of national defense, \$50,000; and (c) any other such project, \$25,000: Provided, That the cost limitations of this section shall not apply to amounts authorized to be expended for emergency expenses on the approval of the Secretary concerned: Provided further, That the cost of converting existing structures to family quarters pursuant to the authority contained in this section shall not exceed \$50,000 during the current fiscal year at any single facility of the Department concerned.

Sec. 708. During the current fiscal year, appropriations otherwise Family quarters. available for construction of family quarters for personnel shall not be obligated for such construction at a cost per family unit in excess of \$14,040 on housing units for generals; \$12,040 on housing units for majors, lieutenant colonels and colonels, or equivalent; \$11,040 on housing units for second lieutenants, lieutenants, captains, and war-

rant officers, or equivalent; or \$10,040 on housing units for enlisted personnel, except that when such units are constructed outside the continental United States or in Alaska, the average cost per unit of all such units shall not exceed \$25,850 and in no event shall the individual cost exceed \$35,000, except units for the Alaska Communications System the individual cost of which shall not exceed \$40,000.

Sec. 709. Appropriations for the Department of Defense for the Schooling for current fiscal year shall be available, (a) except as authorized by the dependents. Act of September 30, 1950 (20 U. S. C. 236-244), for primary and 64 Stat. 1100. secondary schooling for dependents of military and civilian personnel of the Department of Defense residing on military or naval installations or stationed in foreign countries, as authorized for the Navy by section 13 of the Act of August 2, 1946 (5 U.S. C. 421d) in amounts 60 Stat. 854. not exceeding an average of \$235 per student, when the Secretary of the Department concerned finds that schools, if any, available in the locality, are unable to provide adequately for the education of such dependents; (b) for expenses in connection with administration of Occupied areas. occupied areas; (c) for payment of rewards as authorized for the Rewards, Navy. Navy by the Act of August 2, 1946, for information leading to the discovery of missing naval property or the recovery thereof; (d) for payment of deficiency judgments and interest thereon arising out of

condemnation proceedings.

SEC. 710. No part of any appropriation contained in this Act shall Canal Zone. be used directly or indirectly except for temporary employment in Citizenship recase of emergency, for the payment of any civilian for services ren- quirements. dered by him on the Canal Zone while occupying a skilled, technical, clerical, administrative, executive, or supervisory position unless such person is a citizen of the United States of America or of the Republic of Panama: Provided however, (1) That, notwithstanding the provision in the Act approved August 11, 1939 (53 Stat. 1409), limiting employment in the above-mentioned positions to citizens of the United States from and after the date of approval of said Act, citizens of Panama may be employed in such positions; (2) that at no time shall the number of Panamanian citizens employed in the abovementioned positions exceed the number of citizens of the United States so employed, if United States citizens are available in continental United States or on the Canal Zone; (3) that nothing in this Employee with Act shall prohibit the continued employment of any person who shall have rendered fifteen or more years of faithful and honorable service on the Canal Zone; (4) that in the selection of personnel for skilled, technical, administrative, clerical, supervisory, or executive positions the controlling factors in filling these positions shall be efficiency, experience, training, and education; (5) that all citizens of Panama and the United States rendering skilled, technical, clerical, administrative, executive, or supervisory service on the Canal Zone under the terms of this Act (a) shall normally be employed not more than forty hours per week, (b) may receive as compensation equal rates of pay based upon rates paid for similar employment in continental United States plus 25 per centum; (6) this entire section shall apply only to persons employed in skilled, technical, clerical, administrative, executive, or supervisory positions on the Canal Zone directly or indirectly by any branch of the United States Government or by any corporation or company whose stock is owned wholly or in part by the United States Government: Provided further, That the President may suspend from time to time in whole or in part compliance with this section if he should deem such course to be in the public interest.

Sec. 711. Insofar as practicable, the Secretary of Defense shall assist American small business to participate equitably in the furnishing of commodities and services financed with funds appropriated under this

60 Stat. 858. 5 USC 421f.

Panamanian citizens. 48 USC 1307

15 or more years of service.

Hours of employment; pay rate.

Applicability of section.

Suspension of compliance.

Assistance to American small business.

Act by making available or causing to be made available to suppliers in the United States, and particularly to small independent enterprises, information, as far in advance as possible, with respect to purchases proposed to be financed with funds appropriated under this Act, and by making available or causing to be made available to purchasing and contracting agencies of the Department of Defense information as to commodities and services produced and furnished by small independent enterprises in the United States, and by otherwise helping to give small business an opportunity to participate in the furnishing of commodities and services financed with funds appropriated by this Act.

Messes. Operation. Sec. 712. No appropriation contained in this Act shall be available for expenses of operation of messes (other than organized messes the operating expenses of which are financed principally from nonappropriated funds) at which meals are sold to officers or civilians except under regulations approved by the Secretary of Defense, which shall (except under unusual or extraordinary circumstances) establish rates for such meals sufficient to provide reimbursement of operating expenses and food costs to the appropriations concerned: *Provided*. That officers and civilians in a travel status receiving a per diem allowance in lieu of subsistence shall be charged at the rate of not less than \$2.25 per day: *Provided further*, That for the purposes of this section payments for meals at the rates established hereunder may be made in cash or by deductions from the pay of civilian employees.

Travel-status rate.

Sec. 713. No part of any appropriation contained in this Act shall be available until expended unless expressly so provided else-

Availability of appropriations.

where in this or some other appropriation Act.

Tableware, etc., in officers! quarters. Sec. 714. No part of any appropriation contained in this Act shall be available for or on account of the supply or replacement of table linen, dishes, glassware, silver, and kitchen utensils for use in the residences or quarters of officers on shore (other than for field messes, messes temporarily set up on shore for bachelor officers and officers attached to seagoing or district defense vessels, to aviation units based on seagoing vessels, to the fleet air bases, to the submarine bases, or to landing forces and expeditions), except in accordance with regulations approved by the Secretary of Defense, which shall provide for uniform practices among all of the services.

Sec. 715. Not more than \$40,000,000 of the amounts received during

Proceeds from sale of scrap.

the current fiscal year by the Department of Defense as proceeds from the sale of scrap or salvage materials, shall be available during the current fiscal year for expenses of transportation, demilitarization, and other preparation for sale or salvage of military supplies, equipment and matériel: Provided, That a report of receipts and disbursements under this limitation shall be made quarterly to the Committees on Appropriations of the Congress: Provided further, That no funds available to agencies of the Department of Defense shall be used for the operation, acquisition or construction of new facilities or equipment for new facilities in the continental limits of the United States for metal scrap baling or shearing or for melting or sweating alumi-

Report.

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baling, eto.

of Defense designated by him determines, with respect to each facility involved, that the operation of such facility is in the national interest.

Sec. 716. During the current fiscal year, the President may exempt

num scrap unless the Secretary of Defense or an Assistant Secretary

appropriations, funds, and contract authorizations, available for military functions under the Department of Defense, from the provisions of subsection (c) of section 3679 of the Revised Statutes, as amended, whenever he deems such action to be necessary in the interest of

national defense.

31 USC 665.

SEC. 717. No appropriation contained in this Act shall be available Commissary in connection with the operation of commissary stores of the agencies stores. of the Department of Defense for the cost of purchase (including commercial transportation in the United States to the place of sale but excluding all transportation outside the United States) and maintenance of operating equipment and supplies, and for the actual or estimated cost of utilities as may be furnished by the Government and of shrinkage, spoilage, and pilferage of merchandise under the control of such commissary stores, except as authorized under regulations promulgated by the Secretaries of the military departments concerned, with the approval of the Secretary of Defense, which regulations shall provide for reimbursement therefor to the appropriations concerned and, notwithstanding any other provision of law, shall provide for the adjustment of the sales prices in such commissary stores to the extent necessary to furnish sufficient gross revenue from sales of commissary stores to make such reimbursement: Provided, That Restriction. under such regulations as may be issued pursuant to this section all utilities may be furnished without cost to the commissary stores outside the continental United States and in Alaska: Provided further, That no appropriation contained in this Act shall be available in connection with the operation of commissary stores within the continental United States unless the Secretary of Defense has certified that items normally procured from commissary stores are not otherwise available at a reasonable distance and a reasonable price in satisfactory quality and quantity to the military and civilian employees of the Department of Defense.

SEC. 718. No part of any appropriation contained in this Act shall Strikes or be used to pay the salary or wages of any person who engages in a overthrow of strike against the Government of the United States or who is a mem-Government. ber of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be Affidavit. considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or riolence: Provided further, That any person who engages in a strike Penalty. against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: Provided further, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

Sec. 719. Hereafter, no part of any money appropriated to the Gratuities. Department of Defense shall be expended under any contract (other Contract prothan a contract for personal services) entered into after the enactment visions.

of this Act unless such contract provides-

(1) that the Government may, by written notice to the contractor, terminate the right of such contractor to proceed under

such contract if it is found, after notice and hearing, by the Secretary of the military department with which the contract is made, or his designee, that gratuities (in the form of entertainment, gifts, or otherwise) were offered or given by such contractor, or any agent or representative of such contractor, to any officer or employee of the Government with a view toward securing a contract or securing favorable treatment with respect to the awarding or amending, or the making of any determinations with respect to the performing, of such contract: *Provided*, That the existence of the facts upon which such Secretary makes such findings shall be in issue and may be reviewed in any competent court,

(2) that in the event any such contract is so terminated the Government shall be entitled, (a) to pursue the same remedies against the contractor as it could pursue in the event of a breach of the contract by the contractor, and (b) as a penalty in addition to any other damages to which it may be entitled by law, to exemplary damages in an amount not less than three nor more than ten times (as determined by the Secretary or his designee) the costs incurred by any such contractor in providing any such

gratuities to any such officer or employee.

Civilian employee ceiling.

Exception.

Proficiency flying.

Flight pay for certain of-ficers.

63 Stat. 810. 37 USC 235.

Household goods.

Sec. 720. No funds appropriated in titles II, IV, V, and VI of this Act shall be used for the payment in excess of 475,000 full-time graded civilian employees (including (a) the full-time equivalent of parttime employment, (b) persons who are described as "consultants" or who are compensated on a "when actually employed" basis if such persons are employed on a contract basis or are paid on a per diem basis, and (c) persons employed without compensation if they are reimbursed for expenses) at any one time during the current fiscal year: Provided, That whenever, in the opinion of the Secretary of the Military Department concerned, the direct substitution of civilian personnel for an equivalent or greater number of military personnel will result in economy without adverse effect upon national defense, such substitution may be accomplished without regard to the foregoing limitation, and such funds as may be required to accomplish the substitution may be transferred from the appropriate military personnel appropriation to, and merged with, the appropriation charged with compensation of such civilian personnel.

Sec. 721. Notwithstanding any other provision of law, executive

order, or regulation, no part of the appropriations in this Act shall be available for any expenses of operating aircraft under the jurisdiction of the Armed Forces for the purpose of proficiency flying except in accordance with regulations issued by the Secretaries of the Departments concerned and approved by the Secretary of Defense which shall establish proficiency standards and maximum and minimum flying hours for this purpose: Provided, That during the fiscal year, without regard to any provision of law or executive order prescribing minimum flight requirements, such regulations may provide for the payment of flight pay at the rates prescribed in section 204 (b) of the Career Compensation Act of 1949 (63 Stat. 802) to certain officers of the Armed Forces otherwise entitled to receive flight pay (1) who have held aeronautical ratings or designations for not less than twenty years, or (2) whose particular assignment outside the United States makes it impractical to participate in regular aerial flights.

Sec. 722. No part of any appropriation contained in this Act shall be available for expense of transportation, packing, crating, temporary storage, drayage, and unpacking of household goods and personal effects in excess of eleven thousand pounds net in any one shipment: *Provided*, That the limitations imposed herein shall not be applicable

Nonapplicability in the case of members transferred to or serving in stations outside the

Pub. Law 458 All 68 Stat. 355.

continental United States or in Alaska under orders relieving them from a duty station within the United States prior to July 10, 1952, and who are returned to the United States under orders relieving them from a duty station beyond the United States or in Alaska on or after

Sec. 723. Vessels under the jurisdiction of the Department of Com- Transfer of merce, the Department of the Army, the Department of the Air Force, vessels. or the Department of the Navy may be transferred or otherwise made available without reimbursement to any of such agencies upon the request of the head of one agency and the approval of the agency having jurisdiction of the vessels concerned.

Sec. 724. None of the funds provided in this Act shall be available Legal training. for training in any legal profession nor for the payment of tuition for training in such profession: Provided, That nothing contained in this Act shall prohibit persons now attending law courses from completing same: Provided further, That this limitation shall not apply to the off-duty training of military personnel as prescribed by section 730

Sec. 725. Funds provided in this Act for public information and Public infor-

ublic relations shall not exceed \$3,500,000.

SEC. 726. Not more than 20 per centum of the appropriations in this relations. Act which are limited for obligation during fiscal year 1955 shall be obligated funds; obligated during the last two months of the fiscal year: Provided 1955. obligated during the last two months of the fiscal year: Provided, That this section shall not apply to active duty training of civilian

components.

Sec. 727. During the fiscal year 1955, the agencies of the Depart-Acceptance of ment of Defense may accept the use of real property from foreign property, etc., countries for the United States in accordance with mutual defense from foreign agreements or occupational arrangements and may accept services countries. furnished by foreign countries as reciprocal international courtesies or as services customarily made available without charge; and such agencies may use the same for the support of the United States forces in such areas without specific appropriation therefor.

In addition to the foregoing, agencies of the Department of Defense may accept real property, services, and commodities from foreign countries for the use of the United States in accordance with mutual defense agreements or occupational arrangements and such agencies may use the same for the support of the United States forces in such areas without specific appropriation therefor: Provided, That within Reports to Conthirty days after the end of each quarter the Secretary of Defense gress and Bureau

shall render to the Committees on Appropriations of the Senate and of the Budget. he House of Representatives and to the Bureau of the Budget a full report of such property, supplies, and commodities received during

Sec. 728. During the current fiscal year, appropriations available Research and to the Department of Defense for research and development may be development. used for the purposes of section 4 of the Act of July 16, 1952 (66 Stat. 5 USC 235e, 475j,

725).

Sec. 729. Hereafter, no part of the funds appropriated to the De-Foreign duty partment of Defense shall be available for the payment to any person allowances, rein the military service who is resident of a United States Territory or strictions. possession, of any foreign duty pay as prescribed in section 206 of the Career Compensation Act (Public Law 351, Eighty-first Congress), unless such person is serving in an area outside the Territory 63 Stat. 811. or possession of which he is a resident.

Sec. 730. No appropriation contained in this Act shall be available Tuition payments, for the payment of more than 75 per centum of charges of educational eto. institutions for tuition or expenses for off-duty training of military personnel, nor for the payment of any part of tuition or expenses for

mation and

All 68 Stat. 356.

such training for commissioned personnel who do not agree to remain on active duty for two years after completion of such training.

ROTC. ment.

Sec. 731. No part of the funds appropriated herein shall be Loyalty require- expended for the support of any formally enrolled student in basic courses of the senior division, Reserve Officers Training Corps, who has not executed a certificate of loyalty or loyalty oath in such form

as shall be prescribed by the Secretary of Defense.

Availability of funds. Time extension.

Sec. 731½. Those appropriations or funds available to the Department of Defense or any agency thereof which would otherwise lapse for expenditure purposes on June 30, 1954, and designated by the Secretary of Defense not later than July 31, 1954, shall remain available until June 30, 1955, to such department or agency solely for expenditure for the liquidation of obligations legally incurred against such appropriation during the period for which such appropriation

Report.

Contract review. was legally available for obligation: Provided, That the Department of Defense shall make a review of all contracts entered into under such appropriations or funds and outstanding on June 30, 1954, and report to the Appropriations Committees of the Senate and the House of Representatives by January 31, 1955, (a) the total value of contracts cancelled, (b) the total value of contracts adjusted and the resultant savings therefrom, and (c) the total value of contracts continued on the basis of determined need: Provided further, That any such contract shall be terminated no later than June 30, 1955, unless the Secretary of the Department concerned certifies prior to January 1, 1955, that continuation is necessary for reasons of economy or in the national interest.

Termination date.

10 USC 1058;

SEC. 732. Section 4 of the Act of June 29, 1948 (62 Stat. 1094), is

amended by striking the words "in April".

34 USC 1086. Procurement of U. S. products.

Sec. 733. No part of any appropriation contained in this Act shall be available for the procurement of any article of food, clothing, cotton or wool (whether in the form of fiber or yarn or contained in fabrics, materials, or manufactured articles) not grown, reprocessed, reused, or produced in the United States or its possessions, except to the extent that the Secretary of the Department concerned shall determine that a satisfactory quality and sufficient quantity of any articles of food or clothing or any form of cotton or wool grown, reprocessed, reused, or produced in the United States or its possessions cannot be procured as and when needed at United States market prices and except procurements outside the United States in support of combat operations, procurements by vessels in foreign waters and emergency procurements or procurements of perishable foods by establishments located outside the continental United States, except the Territorie of Hawaii and Alaska, for the personnel attached thereto: Provided, That nothing herein shall preclude the procurement of foods manufactured or processed in the United States or its possessions: Provided further, That no funds herein appropriated shall be used for the payment of a price differential on contracts hereafter made for the purpose of relieving economic dislocations.

Restriction.

SEC. 734. None of the funds appropriated by this Act may be used in the preparation or prosecution of the pending suit in the United States District Court for the Southern District of California, Southern Division, by the United States of America against Fallbrook Public Utility District, a public service corporation of the State of California, and others: Provided, That this section shall have no force or effect after the effective date of H. R. 5731, Eighty-third

Fallbrook Public Utility District.

> Congress, as finally enacted into law. Sec. 735. None of the funds appropriated in this Act shall be used for the purchase of passenger automobiles except for replacement.

Passenger automobiles.

-21-

SEC. 736. None of the funds appropriated in this Act shall be used Bakeries, launfor the construction, replacement, or reactivation of any bakery, dries, eto. laundry, or dry-cleaning facility in the United States, its Territories, or possessions, as to which the Secretary of Defense does not certify, in writing, giving his reasons therefor, that the services to be furnished by such facilities are not obtainable from commercial sources at reasonable rates.

SEC. 737. In order more effectively to administer the funds appro- Grades 16-18. priated to the Department of Defense, the President, to the extent he Temporary deems it necessary and appropriate in the interest of national defense, positions. may authorize positions in the Department of Defense to be placed temporarily in grades 16, 17, and 18 of the General Schedule of the Classification Act of 1949 in accordance with the procedures and 63 Stat. 954. standards of that Act, and such positions shall be additional to the 5 USC 1071 note. number authorized by section 505 of that Act. Under authority 5 USC 1105. herein, grades 16, 17, and 18 in the Department of Defense may be increased only to the extent that the total of such grades in the Department of Defense shall not exceed two hundred.

Sec. 738. During the fiscal year 1955, appropriations of the De-Post Office artment of Defense shall be available for reimbursement to the Post Department. Office Department for payment of costs of commercial air transportation of military mail between the United States and foreign countries.

SEC. 739. This Act may be cited as the "Department of Defense Short title.

Appropriation Act, 1955."

Approved June 30, 1954.

